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U.S. EMBASSY, VOA ACCUSED OF SUBVERSIVE IDEOLOGICAL ACTIVITY

Sofia NARODEN STRAZH in Bulgarian 11 Mar 87 p 4

[Article by Prof Deyan Pavlov, NARODEN STRAZH ideological affairs observer: "Vigilance against Highly Subtle Antibulgarian Diversion"]

[Text] The importance of the new assessments and missions in the battle on the ideological front was stressed at the 9 March conference held in Sofia by decision of the BCP Central Committee. This conference was held in connection with the January Warsaw meeting of the central committee secretaries of the communist and worker parties of the socialist countries for international and ideological matters. Discussion in Warsaw was devoted to the "information and propaganda aggression of the reactionary imperialist forces and their attempts to interfere in the internal affairs of the socialist countries, particularly under the false pretext of defending the rights and the religious and national liberties of man, and their attempts to instill nationalism and chauvinistic attitudes." The People's Republic of Bulgaria is one of the main targets of this information and propaganda aggression and of attempts to interfere in our internal affairs on a variety of pretexts, prominent among which of late have been the subversions of imperialism and the Turkish reaction in connection with the educational process being successfully carried out in Bulgaria. The anti-Bulgarian subversion is assuming increasingly subtle forms and is resorting to a combination of old and new means of misleading the masses and of undermining the ideological-political and moral unity of the Bulgarian socialist nation.

The new tricks of the anti-Bulgarian subversion have been clearly and accurately described in recent months in the documents of the 13th BCP Congress, the guidelines provided by the leadership of the Ministry of Internal Affairs, and the reports and speeches of internal affairs minister Dimitur Stoyanov.

Recent weeks have confirmed these assessments and have made it increasingly urgent to deal with the question of accurate disclosure both of the content and of the new technical resources and techniques by means of which the class enemy is trying to conduct subversive activities on Bulgarian soil. Sociologists must provide active assistance especially in the process of analysis and dissemination of the most recent facts, thereby contributing to the prophylactic actions taken both by our propaganda and counter-propaganda

and by our specialized agencies in the struggle against anti-Bulgarian subversion.

Centers in the United States are pulling out all stops to reach our citizens and to suggest to them especially insidious new treacherous theses about a "crisis of socialism," about "the West as the only way to democratization under the conditions of the scientific and technical revolution," "the unrealistic nature of new communist projects," and so forth. Both American radio stations, the display at the U.S. embassy in Sofia, and the new technical equipment used for beaming television signals to Bulgarian viewers, etc, are working at full tilt to reach this objective. The display at the U.S. embassy in Sofia began the new year of 1987 with a cleverly designed propaganda "coup" to publicize the notorious American "way of life." Magnificent color photographs show the family of an "ordinary American office worker" at work and rest, engaging in athletics, and relaxing. The entire display seeks to suggest the highest technical and living standards and to create the erroneous idea that almost all families in the United States live like this and that this is the realization of "an ideal of democracy and a good life," as is stated in the USIA instructions in Washington expressly in connection with this display in Sofia.

The display also shows passersby a schedule of video program screenings in the U.S. embassy. The Voice of America, in turn, regularly reports how Bulgarian citizens who have television sets capable of receiving signals sent by a television transmitter in the K band can view programs of the USIA Worldnet satellite television network. It is constantly repeated that the Worldnet programs which are broadcast in English contain news and documentaries, report on innovations and achievements in science, medicine, technology, art, culture, etc. Specific instructions are given regarding the angle at which antennas in Sofia are to be set to point in the direction of the television satellite.

Not just this official U.S. agency but the subversive U.S. station "Radio Free Europe" also attempts to contact Bulgarian citizens in the country by telephone and engage them in "dialog."

All this is merely a material expression of the tendency of anti-Bulgarian subversion to be increasingly refined and at the same time more aggressive. This requires sharp increase in vigilance to detect any manifestations of enemy subversive activities and to intensify ideological educational work in worker collectives in the spirit of the requirements and resolutions of the 13th party Congress.

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CSO: 2200/73

'GLASNOST' SEEN AS SOLUTION TO CERTAIN POLITICAL PROBLEMS

Sofia NOVO VREME in Bulgarian No 3, 1987 pp 23-32

[Article by Professor Marko Markov: "Current Problems in the Political System of the People's Republic of Bulgaria"]

[Text] The need to make qualitative changes in production and public attitudes, in the foundation and in the superstructure, in the leadership and management of the social organism began to dominate the natural process of building socialism in the People's Republic of Bulgaria during the 1980's. It was imperative that we impart a new and greater dynamism to the development of the economy and to society as a whole, that we master the driving force of the current scientific and technological revolution and combine it with the advantages of socialism, that we fundamentally change our way of thinking and doing things, that we overhaul the process of government.

The objective need for qualitative change has put the political system of the People's Republic of Bulgaria in a new problematic situation. Many of its mechanisms and modes of action were in contradiction with the demands of the crucial era. It has become categorically clear that we need to master more profound objective social laws, especially economic laws, reorganize the activities of political institutions in accordance with those laws, create conditions and prerequisites for the development of the democratic substance of the political system, and lead a decisive and effective struggle against bureaucracy.

The first half of the 1980's was characterized by a dynamic development of political theory and expansion of the party concept of improving the political system. The fundamental setting for the state-owner and the collective owner was launched. We began to seek an alternative to the sector and departmental approach to managing the economy that had become exhausted. An attempt was made to discover a wider field of expression for social organizations by developing their function on surety of establishing party policies. The position of the working collective in the political system and its role as owner of socialist property was increased and institutionalized mainly through the new Labor Law (1986). Thus began a new and more persistent struggle against bureaucratic corruption in state and public life.

The 13th party congress gave the impetus to restorative processes in the political system. At the international level, the impetus was provided by the course of qualitative changes chartered by the 27th congress of the Communist Party of the Soviet Union. In essence, the new position of self-direction, for transition from power in the name of the people to power through the people themselves, is of major, revolutionary significance. At the 13th party congress, the complexity of current problems within the political system was illuminated through the prism of this position. By overcoming many and varied difficulties, a new social practice is beginning to evolve that approaches the demands of self-direction. It requires appropriate theoretical rationalization.

At this point we need to make changes in the matter and manner of exercising the party's leadership role. The most important of these changes involves the party's policies and practices of fully and accurately reflecting and achieving the demands of objective social laws.

The Bulgarian Communist Party has always strived to build its policies on objective laws, especially after the bitter experience of the personality cult era. Much was done in this direction after the April plenum of the Central Committee of the BCP (1956). But neither objective conditions nor the coming of age of the subjective factor (including social sciences) was at a level at which the process of mastering objective laws could acquire a high degree of maturity. There were and are manifestations of subjectivism in essential issues, and that is without doubt an obstacle to the development of the country [1].

When assessing these manifestations, it appears that we should bear in mind that the party's ability to truly reflect the demands of objective laws in its leadership and management is not some sort of unchanging established fact; it is not metaphysically one and the same with historical necessity. The party's every decision and action at every stage of the construction of socialism at best only approaches the demands of objective laws. It never fully and entirely reflects the diversity and discrepancy of the appropriate social object and does not exclude the presence of imperfections in knowledge and inadequacies in practice.

The major point in the assessment must be: have we taken and are we taking real steps along the road to mastering the historical necessity? It would be true to say that we have taken some steps, but we haven't gone far enough. Witness the difficulties in socioeconomic development during the first half of the 1980's and the slowed rates and incomplete use of intensive factors.

Further mastery of the subjective factor of historical necessity demands an even more profound penetration into social dialectics, a more tangible discovery of the demands and forms of manifestation of various social conformities in their relationship and unity of action. In addition, it is imperative that we develop the ability and skill of the party organs and organizations, with respect to subjectivity to use the results of the development of social knowledge, to integrate (and appropriately transform) scientific conclusions into decisions and actions.

The achievement of party theoretical ideas and BCP policies is the analysis made at the February plenum of the central committee of the BCP (1985) and the 13th party congress of the interrelation between the various objective conclusions and bringing to the forefront those that are a decisive factor in the overall development of our society. Primarily, this means the scientific and technological revolution, on the growth of which everything else depends. The party attaches great importance now to the law of values and the commodity and monetary relations that depend on it, and also to the law on the growing role of the masses as makers of history.

Efforts have been made in the post-congress period to give priority to putting the demands of the above-mentioned issues into political practice in the actions of millions of people. The system and mechanisms of planning and managing science and scientific and technological progress has begun to be reorganized. New techniques of planning are being introduced. The policy of the entire process of building and improvement based on the scientific and technological revolution is reflected in the plan for the Ninth 5-Year Plan (1986-1990). A new economic mechanism has been created at the basis of which are the setting for owners and proprietors of socialist property and demands of the law of values. Profound organizational, structural and functional changes are being made in government, which must develop into self-direction of the people.

But this is only the first step towards qualitative changes, towards a more complete and effective mastery of objective logic with the aim of achieving accelerated rates of socioeconomic development in the country. The need is arising for a "re-evaluation of all values from the preceeding historical period using Marxist-Leninist criteria based on materialist dialectics and the greatest achievements of current scientific knowledge and progressive world practices" [2]. The new is struggling to beat through a path and will struggle against subjectivism in its many and varied manifestations, against conservative-thinking and acting individuals and their private interests.

Given the degree of maturity achieved by our society, it is imperative that we make a profound change in the forms and mechanisms through which the party fulfils its leadership role. At the 13th congress it was emphasized that: "Increasing the leadership role of the party will be accomplished not by extending and strengthening directive methods but by increasing the scientifically based, strategic nature of the work of the central party agencies, by discovering the enterprise and initiative of party agencies and organizations, and by listening attentively to workers' opinions." [3]

Directive methods, which are far from obsolete, are in sharp dissonance with the demand for scientific leadership and often lead direct to the morass of subjectivism. Overcoming them will be a continuous process of reorganizing personnel and repudiating the phenomenon that V.I. Lenin called communist arrogance. It is tied to repudiation of customs that do not recognize the independence of other components of the political system, that dictate resolutions that do not correspond to objective social laws, that appropriate rights and impose obligations that make no sense for the actual status of the respective officials.

Increasing the party's leadership role demands effective improvement in internal party relations: the development of democracy on the basis of centralism, understood in a truly democratic sense (V.I. Lenin); guarantee of conditions for all-round explanation of party thought and the opinion of party organizations; improvement of relations between the leaders and the led within the party; creation of conditions for real criticism and self criticism, for a principled struggle against the old both inside and outside party ranks.

The party is the nucleus and mainstay of the political system of socialism, its generally acknowledged driving force. This status is not a subjective whim but a demand of the objective laws of socialism. But the party's leading role may be preserved only if it develops and improves. There is no other way. Scientific analysis and experience, including negative outcomes, teaches us how to do this. Higher party forums outline the directions of the changes in the content and forms of party leadership, in the mechanisms through which this would be accomplished. Given this situation, we need only one thing: as soon as the need is apparent, or further still is apparent to the party as the driving force and to other detachments of subjectivism, the political will of the party itself and its political ability to make the changes that our crucial era imposes take on decisive significance.

Along the road it has traveled in the process of building and improving socialism, the Bulgarian socialist state has gradually acquired the marks of a social political organization. Its democratic substance has developed. But here too development has not gone without problems. During the 1980's a significant contradiction appeared and grew: between the social substance of the state and the manner in which it accomplishes its basic functions. The qualitative reorganization of state life became an immediate necessity.

Given this situation, which had been created in the party and its leadership, the belief gradually matured that qualitative changes were needed in work content, in the functional structure and form of state institutions at all levels, and in the political superstructure as a whole. In the period between the 12th and 13th party congresses new understandings and approaches were founded and their accomplishment began.

Changes in state political and governmental functions became imperative and began to be implemented. The activity of the representative agencies of state power were enlarged. The spectrum of issues discussed and resolved in the National Assembly and local people's councils was enlarged and its significance increased. The control function of elected agencies was strengthened, as was the accountability of executive agencies to them.

However, at the moment the representative agencies basically exercise power in the name of the people. Participation of the masses in the process of preparation of laws and other acts is inadequate. The right of the people to resolve certain questions once and for all through national and local referenda, which is set out in the Constitution and specified in the Plebiscite Law (1983), has not become a wide social practice. The few local referenda that have taken place do not guarantee adequate opportunity for expression of different opinions and alternative decisions. Relationships between voter and representative still contain elements of formal democracy.

The transition from power in the name of the people to power by the people themselves demands a "redistribution" of commanding power between the people and their representative agencies. The spectrum and significance of issues resolved directly by the population must be expanded even further.

Life demands that various forms of direct democracy be developed and performed with practical content. Some of them, for example general meetings of workers and employees, have been institutionalized and acquired normatively fixed functions in the self-direction of working collectives. A competitive and selective basis is being introduced in the promotion of local management personnel. The role of public opinion is increasing. But the functioning of institutes of direct democracy is still a long way from meeting the demands for self-direction of the people.

The overhaul of the political system and activities of the social state is connected with qualitative improvement of the system of social control. It is obvious that we must overcome such weaknesses as triviality and inadequate effect. Nominally built on the masses, the system for social control actually functions with what is still a very small circle of people. Much remains to be done to fulfil Lenin's command that control becomes the work of millions. One of the conditions for this is the wide-spread "glasnost" for the condition of state life and officials -- a "glasnost" that does not place the upper echelons of the state apparatus under an "umbrella of defence".

It follows that qualitative changes in the activity of the socialist state will include its business organization functions. Changes are chiefly being imposed because past understandings and practices sharply contradicted the scales and needs of the current economy and the capacity of the human factor for development. The centralist management of the national economy engenders and strengthens bureaucratic tendencies, impedes the initiative of business organizations and working collectives, reduces the efficiency and dynamism of the socialist economic system. A historical paradox evolved: the higher social level, the more progressive production relations (compared with the capitalist countries) do not function in such a way as to guarantee a greater dynamism and, correspondingly, higher end results of business activity. We must overcome this paradox.

The Bulgarian Communist Party sees the answer to this situation in the improvement of the business organization function in three main areas:

First. Establishment of a new type of mutual relationship between the state, which in the name of and at the instruction of the people is owner of the means of production, and the business organizations, which manage this property through the working collectives. The substance of the change is to impart a strategic character to centralized state planning and direction and to guarantee opportunities for real economic independence to business organizations so that they can be transformed into self-directing systems and true commodity producers.

Second. Repudiation of the sector and departmental approach to management of the economy and transition towards complex strategic management. The sector ministries have been closed and four councils have been created at the Council

of Ministers: Business Council, Social Council, Council for Intellectual Development and Council for Agriculture and Forestry, institutions that will develop and execute state policies. Their influence on business organizations is not and cannot be chiefly of a directive nature but must be accomplished on the basis of dialogue and economic influence. One of their basic functions is to develop the normative base for economic activity with the wide-spread use of commodity and monetary levers and mechanisms.

Third. Mastering a new approach in territorial development, which demands an overhaul of territorial isolationism, development of okrugs not as a mechanical gathering of production units and settlements but as united technological, economic and social units with a developed ability to establish effective mutual relationships with other territorial communities. Creation of conditions for the settlements to function as self-directing units is an essential element of the new approach [4].

Finally, at this stage, the cultural and educational function of the Bulgarian socialist state is acquiring a new form and content of fulfillment. Nowadays culture is transformed into a factor of overall national and social significance. The centralist management of this sphere harbors serious dangers, long since recognized by our party. For the past two decades, the direction of culture has been accomplished on state and social principles. A certain experience has been amassed. But it will be rethought in the light of the concept of self-direction and will be liberated from bureaucratic tendencies. The leading role of cultural unions and organizations and the function of intellectual life in society will be increased.

Scientific analysis of the condition and level of functioning of the socialist state shows that changes in the socialist state -- profound and qualitative changes -- are more than indispensable. They have become a condition for the dynamic and expanding development of socialism. This is the source of the growing attention of the BCP towards state life and the activities of state institutions and its concern that they are overhauled on the basis of the fundamental idea of self-direction of the people.

The objective course of development and improvement of socialism in the People's Republic of Bulgaria during the 1980's called for the need to rethink the place and role of social organizations in the political system of society. It became clear that the manner in which the social organizations function and the forms through which they execute their ties with respective social strata do not ensure that their work is completed efficiently.

The Bulgarian Communist Party reached the conclusion that the concept of social organizations as transmitters of the party played a definite positive role in the earlier stages of socialist construction. Given the new conditions, it has become narrow, inadequate and in a certain sense even an obstruction to the development of the political system and to socialist democracy. The Party has directed social organizations and their managers toward a mechanical transfer of experience and methods of work in their specific activity to the party; it restricts independence, hinders the development of their initiative and disparages their enterprising character.

Certain conclusions have been reached from the position that social organizations are not some sort of appendage of the party and state but a relatively independent, integral part of the political system of socialist society. The social organizations themselves began to differentiate in their actions, to reflect more accurately the specific interests and needs of the social strata that are represented to them. The thesis was developed that every social organization that depended on its specific character was a guarantee for fulfilling the different sections of party policies: the trade unions -- to guarantee that economic and social policies of the party and state are fulfilled; the Fatherland Front -- to guarantee that settlements are strengthened and developed and that local agencies of state power function democratically; the Comsomol -- to guarantee that activities connected with the diverse development and complete social realization of the young individual are fulfilled.

Despite the efforts made, social organizations in our country have not been extracted from the position of inadequate activity and low prestige. In the new social situation, both party, state and social organizations must introduce qualitative changes to their work. These changes must encompass problems of content and forms and methods of work.

By overhauling problems of content in their work, social organizations must direct themselves towards complete participation in the resolution of crucial questions in the socioeconomic development of the country. They must master new perceptions and approaches in carrying out the scientific and technological revolution; become a real factor in the development of socialist democracy and its growth towards self-direction of the people; participate actively in the struggle to cleanse public attitudes of phenomena extrinsic to socialism and to further strengthen social justice and values of the new society.

Vital social needs make it imperative to overhaul and improve the organizational instrumentarium of action of social organizations and movements. The formal structures express certain strong negative tendencies, display a "propensity" towards bureaucracy. In the process of seeking new approaches and social mechanisms, the idea was launched that some organizations, for example the Fatherland Front, may merge from organizations into movements, and vice-versa.

The merging of organizations into movements demands the following: that activities organized by management not become fetishes, but that activities useful to the people are evaluated and encouraged, which is a result of the initiative of the individual irrespective of which organization he belongs to; that management constantly strives to expand the circle of socially active citizens and overcome the tradition of working in a narrow circle of people with or without grounds related to credit; that full "glasnost" be guaranteed in the work of organizations and real opportunities for mass membership and that the public at large assess the value of what their leaders do.

Congresses of the social organizations are imminent. We can expect that the problems to be resolved will be discussed in a profound and creative way in

conditions of a turning point in all spheres of life, and increasing demands of the political system and the way it functions.

The essential trait of the Marxist-Leninist party is its ability to bring to an end every activity that corresponds to historical necessity, a basic condition for the party to be a real leader of the people and their historic fate. The Bulgarian Communist Party has a strong tradition of being a party of political action, of uniting theory and practice, scientific analysis and social transformation. It stems from the time of Dimitur Blagoev and Georgi Dimitrov and descends from the restorative April plenum of the Central Committee of the BCP of 1956.

The period following the April plenum added many valuable gains to the policies and practical activities of the party. At all the sharp turns of history, with the advent of every great historical necessity, the Party succeeds in rationalizing new realities and tasks and shows the will and the resolve to make the turn, to make changes in its own activities and in the activities of the state and social organizations.

Together with the positive changes made in recent years, we have also accumulated negative experience. Certain phenomena appeared, and in some cases grew, which came into sharp dissonance with the demands of the crucial era. In the words of Comrade Todor Zhivkov, one purely homespun Bulgarian contradiction appeared, achieved certain proportions and rooted itself in life. This is the frequent shortfall between words and deeds, failure to bring important thoughts and resolutions to an end [5].

Overcoming this contradiction is now the first, basic condition for improving the political system, for qualitative changes in the entire life of society. We need a new understanding in the consciousness of personnel and workers, a new style of sociopolitical thought [6], the nucleus of which must be the will to bring every historically necessary deed to an end.

The overhaul of the political system and improvement in the way it functions demands organizational and structural reconstruction, a part of which has already been accomplished. However, the major element is changes of content in activities of the party, state and social organizations. In the setting of self-direction, every appearance of formal democracy, every ostensible observation of democratic laws and procedures (when they are actually being weakened) conceals enormous dangers.

During the 1986 elections of collective agencies for self-direction of companies, disquieting symptoms appeared that demanded decisive action: red-tape, patronage and interference in the power of the collectives, inertia and conservatism, separation of rights and obligations, inability to apply creatively in specific conditions the setting for self-direction. These and other weaknesses do not provide grounds to repudiate the elective route, nor to hinder the processes connected with the transition of power in the name of the people towards power through the people themselves. We need an unhesitating political will to confirm the new social practice so as to bring the reorganization to a successful conclusion. This will enable us to fulfil

one of Lenin's commands: to teach the mass of government by practical experience, not in lectures and not in meetings.

Overhauling the political system on the basis of self-direction, overcoming bureaucratic tendencies and intercepting attempts to use power for personal and corrupt aims demand a full turn towards wide-spread "glasnost" -- "glasnost" for everything that happens in the state and in political institutions, for the manner in which problems affecting people's interests are resolved, for the mechanisms through which power and management are conducted.

Of course, state secrets must be secret even though many things and our ideas in this area will change. Any fear that "glasnost" will undermine authority and trust in socialism and the party is not only incorrect; in certain situations it may be a cover for personal interests, which are in no way harmonious with the interests of socialism and the people. For example, if the receipt of a higher salary is socially just and corresponds to the contribution of he who receives it, why should it be a state secret for certain categories? Why should many decisions of higher and regional agencies remain shrouded within the institutions that make those decisions? Why are many statistical publications "for official use" only? Why does the public not have the right to demand the appropriate political institutions to explain publicly the real motives and all consequences (not only positive, but negative) of one or another administrative resolution?

Qualitative changes in the political system demand a new approach towards science and its role. This consists not merely of overcoming the phenomenon of commentary. The thesis developed at the conference of heads of departments of social sciences in Moscow (October 1986) has a sound base -- that public knowledge is necessary to the aims of propaganda but primarily for developing long-term social and political orientation, necessary literally for each step ahead. Not a single more or less important practical question can be resolved if it is not rationalized and grounded in theory. Thus, theoretical work itself is transformed into one of the most important driving forces of socialist and communist construction, a most important element of reorganization.

At such a critical time as ours, the role of a function that is frequently undervalued in Bulgaria -- that of social knowledge -- is rapidly growing: "Science and theory are indispensable wherever and whenever the usual methods of action 'don't get the job done', where past experience and practical skill are unable to give the necessary advice, where principally new decisions and non-standard actions are required." [7]

Answers as to how to proceed in the current social situation cannot be derived only or chiefly from our practices to date, from the approaches and mechanisms we have used up to now. As it rests on objective laws, as it reflects real opportunities and needs of society, as it discovers its reserves, theory must put forward approaches and mechanisms for innovative action, for a sharp turning point towards better things, in the economic and political spheres. With the aid of science, a new, superior practice may be planned and confirmed

and, given the correct approach, it will accelerate the development of our society.

The political system of socialism in the People's Republic of Bulgaria has reached a stage at which its overhaul and qualitative changes in the way it functions, have become a vital necessity for society and progress. Although difficult and fraught with unavoidable contradictions and pitfalls, the imperatives of this crucial era are increasingly being recognized. A series of theoretical situations, social mechanisms and practical approaches is being formulated, with which these qualitative changes may be made. Given the social situation created, theoretical knowledge must study the political logic more profoundly, must be integrated in an organized way into the revolutionary transforming processes, must be the promising foundation for the confirmation of a new, superior socialist practice that will raise socialism up to discover its opportunities and advantages.

FOOTNOTES

- [1] T. Zhivkov: Selected works. Vol 35, p 337.
- [2] N. Iribadzhakov: The dialectics of the crucial era. Rabotnichesko delo 10, XII, 1986
- [3] 13th congress of the BCP. Reports and resolutions, Sofia, 1986 p 29
- [4] T. Zhivkov. On a new approach in territorial development, Sofia, 1986, pp 14-21.
- [5] Idem, p 405
- [6] See M. Markov "On the current style of sociopolitical thinking". Novo vreme No. 12, 1986
- [7] M. Gorbachov. "The time demands initiatives and creativity in all spheres of life. Novo vreme, No. 11, 1986, p 14.

12907

CSO:2200/85

MINISTER URGES MILITIA TO IMPROVE CRIME FIGHTING CAPABILITY

Sofia NARODEN STRAZH in Bulgarian 11 Mar 87 p 1

[Unsigned article: "Expanded State People's Militia Council Meeting--Reorganization: Everyone's Revolutionary Duty"]

An expanded meeting of the DNM [State People's Militia] council was held on 10 March 1987. Colonel General Dimitur Stoyanov, candidate member of the BCP Central Committee Politburo, leading officials of the MVR [Ministry of Internal Affairs] system, heads of administrations and deputy heads of district administrations for internal affairs, members of the DNM permanent commission, and the secretary of the DNM primary party organization took part in this meeting. The council considered the problems connected with improving the organization, approaches, style, forms, and methods of work in the light of the resolutions of the 13th party Congress and the December plenum of the BCP central committee. It also discussed the draft program of DNM activities over the 1987-1990 period and the draft agenda of the council and DNM leadership in 1987.

In his report, the deputy minister of internal affairs and director of the People's Militia, Lieutenant General Ivan Dimitrov, stressed the urgent need for reorganization that is all-inclusive, thorough, and revolutionary in content. The mechanism for change is in place, but the old approaches and stereotypes have not yet been overcome. Unless we reorganize ourselves first, the programs that have been drawn up cannot be carried out successfully.

All-round defense of socialist economics is a strategic mission of the People's Militia organs. Their unvarying duty is to wage an uncompromising struggle against negative phenomena. However, the high level of detection of economic crimes cannot conceal the unsatisfactory results of the Gabrovo, Smolyan, Sliven, Burgas, and Blagoevgrad MVR district administrations.

There is an especially urgent need for reorganizing the work to strengthen and develop the socialist legal order and for increasing the effectiveness of the fight against crime. It is a disturbing fact that much correspondence is not read within the period prescribed by law. This phenomenon has been observed in the districts of Varna, Plovdiv, Pleven, Razgrad, Silistra, and certain others. A considerable number of petitions and statements by citizens in connection with the commission of crimes have been withheld from recording in Pazardzhik and Lovech and in certain rayon SGU. The criminal activities of

repeat offenders have not been suppressed, above all in the Plovdiv, Pleven, Gabrovo, Blagoevgrad, Turgovishte, and Pernik districts. Many crimes are committed by minors. The level of crime detection is not satisfactory. Serious changes of approach are necessary in carrying out crime prevention. The time has come to move from words to action, to break free from gravitation toward routine and rigid conservatism. These actions were urged by Lieutenant General Ivan Dimitrov.

Problem-oriented analytical and critical presentations imbued with a sense of concern were made by Colonel Leonid Katsamunski, deputy director of the People's Militia, Colonel Ivan Dimov, head of the Economic Division, Colonel Khristo Pavlov, secretary of the DNM permanent commission, Colonel Zdravko Muchinov, deputy director of the Pleven District Administration of the MVR, Colonel Yordan Damyanov, deputy director of the Pazardzhik District Administration of the MVR, Colonel Angel Panchev, head of the TM Division, Colonel Iliya Todorov, head of the People's Militia Administration in the Plovdiv District Administration of the MVR, and Major General Purvan Rusinov, head of the People's Militia Administration in the MVR.

The concluding speech was delivered by Colonel General Dimitur Stoyanov, candidate member of the BCP Central Committee Politburo and minister of internal affairs. He emphasized that the major question of reorganization is how each person sees himself in it and his contribution to qualitatively new growth of the People's Militia organs. The most important task now is to release the intellectual and creative forces of the worker collectives and of the individual. New forms and means must be applied to stop or promptly detect economic crimes, so as to prevent accumulation of enormous damage and involvement of a larger number of people in the criminal system. It is necessary to reorient work in the priority directions of development of our economy--electronics, the chemical industry, power engineering, and metallurgy. The information obtained on negative phenomena as they arise is insufficient.

The situation in the fight against crime is alarming. Specialists of the militia units and scientific personnel of the MVR must make thorough analyses in this area on an emergency basis. There are irregularities in work on "hot" leads, and many searches are poor in quality. The large number of crimes committed by minors must be regarded as a deficiency in the work of the DPS. The KAT [Control of Automotive Transport] was the unit which finished last year with the best results, according to the minister, but it must quickly and decisively reorganize its monitoring of the behavior of pedestrians.

The principle which the security services must not forget for a second is that important and responsible political work has been assigned to them.

In conclusion, Colonel General Dimitur Stoyanov stated that "when we speak of reorganization, we do not mean merely cosmetic changes but something entirely new and progressive which can defend the dignity and authority of the Bulgarian People's Militia."

6115

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ONE THOUSAND ILLEGAL BORDER-CROSSING ATTEMPTS YEARLY

Budapest NEPSZAVA in Hungarian 28 Feb 87 p 4

[Interview with Major General Dr Janos Szekely, chief of the Interior Ministry's National Border Guards Headquarters, by Attila Schmidt: "In Defense of Our Borders"]

[Text] Spring, the tourist season, is approaching. Attention at such times always turns to the work of the Border Guards. Our interview with Major General Dr Janos Szekely, chief of the Interior Ministry's National Border Guards Headquarters, began with a brief historical review.

[Question] When were the Border Guards formed after the liberation?

[Answer] The entire country was not yet liberated when reorganization of guarding our borders began, at the urging of the Soviet representatives on the Allied Control Commission. Establishment of the Border Guards was made possible by the Armistice signed in Moscow on 20 January 1945. After its formation, the Border Guards were assigned the task of denying free crossing of the border to hostile elements, and to prevent smuggling. After the liberation, significant changes were made in the life of the border guards. In 1946, under Lieutenant General Gyorgy Palffy, the Army Border Guards Command and battalion commands were established. In the 1950 reorganization, the battalions were replaced by Border Guards districts, and the companies became battalions. This completed the creation of a modern, multiline, multilevel and readily maneuverable system for guarding our borders. In 1974, the first decree of the Council of Ministers defining the tasks of the Border Guards was promulgated.

[Question] Does the border zone in its old sense still exist?

[Answer] No, it does not. In some places a permit is required to enter the strip along the border. But that strip usually means a distance of merely a few hundred meters.

[Question] What criteria do you employ in selecting young people for active service in the Border Guards?

[Answer] It is common knowledge that conscripts are screened before they enter active service in the Border Guards. We have set very high selection

criteria for them. Political training, general education, and good health are important. We will not accept anyone who is color blind, for example. Good appearance and knowledge of foreign languages are important for assignment to border-crossing points. About 40 percent of the personnel stationed there at present are college or secondary-school graduates. The rest are skilled workers. Hungary is perhaps unique in that also conscripts are assigned to checking passports, under the supervision of regular personnel, of course.

[Question] On the basis of your experience during the past five years, what are the statistics on border violations?

[Answer] On average, about 1000 persons attempt to cross the border illegally each year, and 65 to 75 percent of them are foreigners. Hungarians usually attempt to cross after committing some crime, to escape arrest. Of course, there are attempts motivated by a desire for adventure. And sometimes a student will want to run away because of a bad report card. Last year, citizens of 49 countries attempted to cross the Hungarian border illegally.

[Question] Do the border violators ever attack the guardsmen?

[Answer] It does happen, although rarely. There are desperate people who are not deterred from attacking guardsmen with firearms or other weapons. On average, there are eight to ten instances each year when we have to fire warning shots or use tear gas against those who are resisting arrest. Regrettably, it does happen that a guardsman is killed in the line of duty. Fortunately, such cases are rare. The latest armed border violation was attempted in 1982.

[Question] How many border-crossing points are there, and how many of them meet modern requirements?

[Answer] At present there are in all 66 highway, rail, river and air border-crossing points. Hegyeshalom, Kophaza, Hidasnemeti, Satoraljaiújhely, Győr-Vamosszabadi, and Ferihegy 2 among them are modern. We hope that modernization of the Parassapuszta highway border-crossing point will be completed by summer. Our biggest problem is with the Sopron highway border-crossing point whose traveler-processing capacity is low. After its modernization, now in the planning stage, we hope that this problem, too, will be solved.

[Question] Which are the most frequented border-crossing points?

[Answer] The largest numbers of travelers use the Hegyeshalom, Sopron, Letenye, Roszke, Artand, Parassapuszta, Komárom, and Rajka highway border-crossing points. Yet, anyone willing to make a detour of perhaps only a few kilometers could save a lot of time.

[Question] What is the annual traffic volume at the border-crossing points?

[Answer] Last year we set a record by checking the documents of about 50 million people, despite the well-known Chernobyl incident and the Austrian farmers' highway-blocking action.

[Question] Can we utilize our natural resources that are close to the border and are suitable for recreation, excursions and sports?

[Answer] Yes. Although a permit is required to enter a very narrow border zone along our western and southern borders, anyone who applies to the proper agency for a permit usually gets it. Boat excursions on the Danube and Tisza are common. We rebuilt the signaling system to exclude Brennbergbanya from the border zone. We have made access to Lake Fertő easier. As a result of our good relations with the authorities concerned with foreign tourism, we have also solved visits to Hétfőrrás [mineral springs] and the Styrian homes in the Kőszeg mountains.

[Question] Where and how quickly can a foreign citizen obtain a visa to enter Hungary?

[Answer] I may safely say that our system for issuing visas is highly developed. Practically from no country other than Hungary is it possible to obtain a visa at the border, immediately. A visa can be obtained day or night, at any one of our highway border-crossing points that check intercity traffic. Depending on the number of applicants, the waiting time is 15 to 60 minutes. In my opinion, this is negligible in comparison with the weeks or months it takes the embassies of certain countries to issue visas to Hungarian citizens.

[Question] How are your relations with the residents of the settlements along the border?

[Answer] Excellent. We would not be able to attain such favorable results without their help. The regular personnel of the Border Guards actively participates in local public life. We have wide popular support. So far 135 settlements have been awarded the title of "Border Guards Town" or "Border Guards Village." There are more than 900 voluntary auxiliary groups. We arrest 20 percent of the border violators with the local population's help.

[Question] What is the state of the technical defense installations along the individual border sections?

[Answer] There are only signaling devices along our border sections. We have installed them to help us in guarding the border. With the socialist countries other than Yugoslavia, we have international agreements that regulate our mutual relations. With Austria we have no cooperation on guarding the border, and that is why there are more technical installations along that section of the border. Furthermore, most border violators attempt to cross into Austria. Therefore we have installed signaling devices to facilitate our work. In our opinion, the future of the signaling devices depends on the development of some other solution that can effectively help us to do our job. We do not regard these installations as permanent. Incidentally, they are merely signaling devices and thus pose no threat to life or limb.

NEW FRAMEWORK FOR SOCIALISM SOUGHT

Budapest NEPSZABADSAG in Hungarian 21 May 87 pp 3-4

[Article by Balazs Hamori: "The Way or the Way Out?"]

[Text] Today's all-consuming wave of nostalgia has already presented the fashions of those "good old peaceful days". It now presents us with the fragments of memories--senses, hairdo, fashion and the intellectuality of the day before yesterday, and even of yesterday. This reminds me of the 1960's. In the youthful zeal of those days we were searching for "the way". As soon as we grew up and matured, our society began to search for "the way out". This search has become our historic task--it is truly a test.

At first hearing, of course, the term "way out" does not generate too much enthusiasm. It conjures up a vision of diminished opportunities, of having been cornered, of being faced with no choice. Unavoidably, this prompts us to do some self-examination. How does that powerful little word "out,"--the word that so drastically changes the entire meaning--how does it get there right after the word "way," which designates the path we so confidently followed at the outset? There are no debates, no conferences, and perhaps not even friendly conversations in which this issue would not be raised openly or tacitly. Scientific institutions and political bodies have made dozens of sophisticated analyses concerning the subject. As a result, the full picture is beginning to emerge. Most recently it was at the Szeged Theoretical Conference that a number of such analyses, including appropriate, reasoned arguments, informed us just why and how we got into the situation from which we are trying to find the way out. What is it that holds us back, what are the limits of our action? No single factor, no single mess can be pinpointed as the sole cause. It is for this reason that we are seeking the point of a possible breakthrough in several places--points from which we can struggle and wade out of the mess. Searching for one point only would not be feasible. Each analyst appears to be confronted with different barriers, and therefore seeks new openings. An awareness of the overall limitation on action choices is their only shared characteristic.

Under these circumstances, wisdom imparted to economic policy makers frequently serves as cause for aggravation rather than encouragement. They feel that

their hands are tied, and to top it off, with their hands tied, they must perform hands-on management of an economic machinery that is huffing and puffing and leaking at several points. And if only those enterprise people would not complain precisely about hands-on management--about the paralyzing effect of centralized management. A larger scope of authority within enterprise management remained only a promise, so they complain. The number of central interventions has increased greatly, not to mention the growth of regulations. Regulations have become more complicated and more unpredictable than direct intervention. Economic policy makers feel that in difficult economic situations it is impossible not to intervene. One cannot permit the processes to continue the way they started out. Nevertheless, one intervention creates another. Oddly enough, direct intervention is like gaseous materials: an increased sphere of applicability, a broadened scope and strengthened enforcement provisions render direct intervention as less contained and having less pressure, as less effective, more uncertain and more illusory. As a result the sense of ineffectiveness once again evokes the feeling of a need to act. Irrespective of the number of statements that condemned petty paternalism, busy-body brushfire crisis management, the urge to create self-perpetuating, excessively detailed regulations, the idea of hands-on management, and the feeling of having to act always prevails in the overheated atmosphere of the moment. This then ties us to the outmoded system of economic management that has been rejected already by every school of economic thought.

To Get Out Of The Donkey's Skin

Nor can the concept tied to the slogan "the present consumes the future" be separated from this problem. Those in charge of economic policy development--the economists--are bored already with their own thoughts, and especially when they hear repetitious restatements of a need for structural transformation, about the inevitability of counter-development in crisis industries, and of developing industries which have a future. And how boring it is for those who listen to these economists! Boring, if it were not for one fact. At present it is precisely these critical branches of industry that produce for export. It is their foreign exchange income that will pay for some indispensable developed technology--foreign exchange that hopefully will enable the development of those other branches of industry, and which is indispensable to our continued financial liquidity.

Foreign traders and economic policy makers responsible for maintaining balanced conditions frequently say this: all right, we will stop exporting things that are uneconomical. But then, what should we export instead? Obviously, these individuals too realize that the longer we continue to export products that defy economic forecasts and run counter to both our domestic capabilities and world market price trends, in other words: the longer we preserve our backward economic system, the more diminished will be our chances of ever being able to amass the resources needed for structural transformation. But this kind of export itself increasingly consumes future export opportunities also, thus deteriorating the income production and accumulation capability of the economy as a whole. Not unlike the donkey's skin, the available opportunities for the traditional system diminish day after day. The only problem is that we are the ones sewn into that donkey's skin. We must change the structure, and we must do so as soon as possible. But the

structure cannot be changed, so it seems at least, because we lack the necessary resources, because uncompromising economic demands do not permit sufficient time to recompose ourselves and to regain our strengths so that we can make that radical structural change.

But even if by virtue of some miracle we could disregard our traditional exports, and would somehow be able to finance the development of new branches of industry, we would be facing yet another problem. This one would create more headaches than the ones we now have. Structural transformation requires a mobile workforce, but our infra-structure is not geared to mobility. Increasing residential mobility is just as much a condition of workforce mobility as are the institution of retraining, or individual or family personal security provided by a social safety net. Incidentally, at present that social safety net has some gaping holes that need to be tightened. One has difficulty in recognizing even the abstract outline of all the above, not to mention the resources needed to accomplish them. Our overburdened, under-financed, conflict-laden social policies have difficulty fulfilling traditional requirements. The system is hardly prepared to resolve difficult problems that are ideologically charged. We must free the workforce from its captivity imposed by an inefficient occupational structure, yet it is difficult to accomplish this in a responsible manner, one that continues to observe the norms of socialist humanism.

Untangling The Yarnball

This listing could be continued by taking inventory of the various dilemmas and by drawing a map of the various pitfalls. But this sketchy description alone should demonstrate that taken together, the mudholes create a chain of mudholes and that each problem presents new problems. It is for this reason that these problems prompt the following question: is it possible to surface from one mudhole as a result of an isolated effort, while another mudhole condemns us to remain at its depth? One need not be an economist to answer that question, sober logic will suffice: the answer is "no." And this answer instantly prompts yet another question: should we not seek the way, rather than the way out? Is it not lack of perspective, lack of long term goals, lack of a modern socialist perception of society and of economics--one that is appropriate in the eighties--that necessitates our repeated returns to our mudholes--or, more appropriately, our inability to get out of those mudholes?

Beyond engendering some nostalgic thoughts, the 1960's perhaps provide some food for thought too. They do, because today's situation is similar to the one we had in those days. The discontinuance of the system of planned directives, the change to a new path and a new economic mechanism in those days was preceded by a miserable process of correcting and improving plan directives. At first we felt that we should be using one index rather than another, alternatively, the situation would improve if indexes were used with greater circumspection. It was only later that we discovered that the obligatory plan directives themselves were the culprits--economic policy decisions that were based on indexes produced by plan directives were at the heart of the problem. One way or another, all direct solutions led to a dead-end.

Regardless of how we want to untangle our present economic and economic policy concerns, we always reach the same result: one cannot get out of the mudhole by virtue of partial, local and unitary solutions. We may pin our hopes to one or another new regulatory provision that replaces an old one. We may feel confident about a new taxation system, or regarding some action taken in the realm of social policies. Taken individually, none of these will pull us out of the mudhole. What we need is a comprehensive, uniform, step-by-step systems approach for the re-thinking of the past practice of social and economic development.

Viewed individually, each mudhole suggests the same conclusion. For example: upon examining the reason for our constant reversal to the state of hands-on management--this at a time when for at least twenty years it has been common knowledge that central authorities need not, moreover must not intervene in the details of the economy--we cannot find a solution other than changing the relationship between the central authorities, the enterprises and the individuals. Just as the previous economic mechanism, today's economic system too is characterized by a heavy hierarchical structure. Our enterprises continue to view central authorities as the higher authorities, rather than as partners together with consumers. After all, by virtue of concentrated economic power, enterprises may still expect something from those higherups. At the same time, the need for horizontal orientation--the recognition of market forces--can still be disregarded as long as connections to the higherups work. And this is at the root of the problem. Why should an enterprise consider consumers, when everyone continues to receive a paycheck? Such is the situation in the manufacturing, transportation and sale of furniture. At the consumer's end, 80 percent (!) of all new furniture products is in need of repair. Under such circumstances it is of no use to continually "direct" the enterprises to exercise independence. What basis do we have to expect enterprises to become independent and market oriented, and to show initiative? We cannot expect such change, as long as a substantial part of the money is taken away from the enterprises and to a large extent, investment objectives continue to be centrally determined. We cannot expect such change as long as centrally distributed funds trickle down drop by drop to the enterprises, and as long as the issue of recognition and existential issues are being centrally resolved. If, on the other hand, enterprises are indeed not viable by virtue of their dependence, if, on the basis of past experience, they have good reason to believe that everything will come from above, the option to intervene must be left open. After all, someone must make decisions if an enterprise that is not viable is unable to do so.

Intervention reproduces itself under given conditions of dispersed economic power and money. Decisions made at levels higher than necessary yield less than optimum solutions because of lack of financial interest and lack of an adequate informational base upon which an optimum decision may be made. This then reproduces difficulties and economic tensions, once again providing reason for intervention. So then, what is the way out? The way out can be found in the strengthening of horizontal market structures, in the weakening of vertical structures, in the reorganization of the relationship between enterprises and central authorities, and, at the lower levels, in the real evolution of enterprise autonomy ("real" meaning money and power, not lipservice). This would not only be a temporary reprieve from our pressed

situation. This is the path itself which we must begin to pursue in a determined way. We must do so, because enterprises are becoming less and less interested as we tenaciously continue to stick to the present excessive concentration of money. This results in less income being produced within the economy, which, in turn, decreases resources that could be concentrated. The more forcefully and the deeper we reach into enterprise pockets, the more will we experience that those pockets are empty. The state budget may secure itself a proportionately larger share of funds in the distribution process. This, however, would be in vain, because by then the actual amount to be distributed would have shrunk. Accordingly, although paradoxical, it is very true that the abrogation of central economic power is a condition of strengthened central economic power.

In Lieu of Distribution

Viewed from the vantage point of structural policies, the search for the way out of the trap yields similar conclusions. With respect to structural policies too, the trouble is not that those in positions of responsibility do not know what the appropriate structure should be toward the end of the 20th Century. The trouble is that those in positions of responsibility are prisoners of forced policy lines that emerge in the course of implementing structural policies. In a country of coal, steel or petrochemicals, structural policies as well as economic organization and standards are not determined by the dreams of a voluntarist central will. Why is it then that old industries that do not fit into our economic profile anyway, prolong their lives, while "new industrialization" is late in its arrival--almost fatally late. A single reason may be found: the structure is not taking shape pursuant to economic rationale: money is not being attracted to one place or another primarily by the prospect of profitability. Instead it largely continues to be "distributed". And then, much of the money distributed from the top is not being allocated where it should be--most of it is allocated to places where the bargaining power is great. Old branches of industry which employ tens of thousands of workers are strongly represented in bargaining processes involving developmental funds. From a practical viewpoint the new industries have no representation at all--after all new industries are almost non-existent, and if they exist, they just barely exist. There are experts who for decades have cautioned about the long-term consequences of investing developmental funds into old industries. Today they are unable to prove their past concern: they are unable to invoke the fate of tens of thousands of employees: there just aren't any people who earn their daily bread from new industries, people who could support the earlier cautionary claims. These experts cannot invoke the fate of tens of thousands of employees, even though they could speak for millions--for all of us. But as of today this is not a sufficiently strong platform to speak from. Regardless of how imaginative the holder of the strings of the purse may be, regardless of his awareness of the fact that neglecting e.g. the information economy, and enhancing the traditional industries is a mistake, the vociferous crowd in front of him supports the latter. As long as investment fund distribution follows this logic, as long as consumer capital does not flow through the economic fiber in search of profitability, even the most perfect perception of structural policy remains a piece of paper only. The available modest amounts will continue to be distributed in a manner reflecting the old, 10-20 years old power structure.

There is a way out of the structural policy trap also. The way out is a radical, fundamental change in the flow of developmental funds, the proper management of consumer capital and the establishment of a system in which economic interest governs consumer capital, the establishment and a more courageous and less formal functioning of market institutions for capital investments, i.e. stocks and bonds. This too represents more than just a "way out". It is a new track for economic and social construction. This is the only way to end the shortage of resources, a shortage which always exists in our economy. Prospective investors shop around for investment opportunities, and from the outset do not invest in ventures that guarantee a loss. In pursuing this search they will soon discover that in Hungary there are not too many good investment opportunities. In order to attract capital one needs more than just the promise of profits. To attract capital one must actually demonstrate that the investor who assumes the risk of investment, will have more money in return than the amount he invested, because there will be less waste. In a system of this nature, investments by central authorities would concern only those matters that affect the national interest. The broadening of the area of mobility, the regulation of the rules of the game would be the proper tasks for the central authority, and thus, the central authority would definitely prevail in a manner that is more effective than before. If all viable, rational and short-term gain investment opportunities would find a financier--and if viable ventures would not have to share the little money they have with those who are not viable--then the structural policies would be supported by resources, and in turn, resources would become available to implement structural transformation.

Social Safety Net

Most certainly, these resources would adequately cover the institutional requirements of workforce relocation. If a new industry promises high profits and a high earning capacity, it will also be able to attract both domestic and foreign development capital with relative ease. In this framework, workforce relocation, resettlement, finding a home and retraining should pose no insurmountable problems. Especially not, if it would become characteristic that a lesser amounts of wasted, drowned investments are recovered from dying industries and the same are made available to industries that promise greater profitability. Even if a relatively smaller degree of state budgetary centralization remains, gradually increasing amounts could be freed in this way for purposes of financing a well-perceived, modern social policy. This could be an appropriate social backdrop for the development of enterprises. This could ensure that while endeavouring to establish efficient occupations, the related endeavour does not conflict with social priorities.

A fitting aphorism has it that generally speaking, history does not resolve problems, it renders problems as obsolete non-issues. This applies to us too. We cannot resolve any of our dilemmas by staying within the existing framework, by trying to "resolve" them by using our present logic. We cannot bring to an end detailed intervention by deciding to call for a halt at a given point. This is so, because intervention in this "posture" is necessary. We must get beyond the system of petty interventions and a new relationship between the actors within the economy must be established. We cannot get out of the structural policy trap by making a new decision concerning distributions. We must transcend the system of distribution in the direction

of a system that is guided by profitability. "There is no money, but we need money." This dilemma itself becomes a non-issue. Concerns for efficient occupation cannot be resolved in the existing framework. We must step out of the existing framework.

The Way Out Is The "Way"

Is there a way out of the present mudholes? According to the above, there definitely is. The way out is the way to go. The new path for socialist economic and social construction, whose essence is a reorganization of relationships between the central authority, the enterprises and individuals, and the rearrangement of the distribution of resources, calls for the activation of everyone involved in the economy. This activation takes place by increasing each actor's autonomy, power, control over actions and personal responsibility for actions. And while, of course, a need for the hierarchical direction of the economy will continue, in this situation there is an even greater need for the creative energies, ideas, and responsible decisions of hundreds of thousands and millions of individuals. A rearrangement of the conditions will benefit not only the lower levels, but also the central authority. After all, while enterprises remain hamstrung, the autonomy of central economic direction remains a mere semblance. A semblance only, because in the existing economic mechanism the central authority must make perhaps more forced choices than the enterprises, and is even more hamstrung than the enterprises are. Enterprises continue to have an opportunity to play a tactical game to the detriment of other enterprises, and to make small gains in the process of distribution. Accordingly, central economic direction should be as much interested in a change, as are the enterprises.

The fact that we are not merely chasing rainbows is reflected throughout the world in some encouraging signs. First of all the Soviet effort to accomplish radical reform is a good example and provides encouragement for us, which goes to show that we too can change our situation. Accordingly, we must make changes. We must, because it is still possible to transcend our problems before the problems transcend us.

12995

CSO: 2500/347

VIGILANTE WORKER GUARD ORGANIZATION LAUDED ON ANNIVERSARY

Budapest NEPHADSEREG in Hungarian 17 Jan 87 p 7

[Text] The 30th anniversary of the establishment of the Worker Guard was celebrated at the Guard's national headquarters command. Present were MSZMP deputy executive secretary Karoly Nemeth and deputy minister president Lajos Czinege. Among the members of the Presidium were ambassadors to Hungary Boris Stukalin, Ondrej Durej and Euclides Vazques Candela, from the USSR, the CSSR and Cuba respectively, Georg Folk, counselor to the Ambassador of the GDR, lieutenant general and deputy defense minister Istvan Horvath, head of the political section of the Hungarian People's Army, as well as representatives of state and social organizations and of other branches of the armed forces and armed bodies.

Worker Guard national commander lieutenant general Sandor Borbely greeted the members of the Worker Guard and those present. He provided distinguished recognition to the 4164 founders of the Worker Guard who have served voluntarily for three decades.

Respect And Appreciation

In his speech Nemeth emphasized that the Worker Guard, initiated by the Party in the wake of the struggle against the counter-revolution, has honestly fulfilled its mission for 30 years, from the day it unfurled its banner up to this date. Consistent with their oath, worker guards perform their duties in defense of the people's power, and serve the public interest in a disciplined manner, responsive to the Party, the people and socialism, and prepared to sacrifice. Our society surrounds the Worker Guard with respect and appreciation.

"Considering all this, I am conveying to you, and to all worker guards the friendly greetings and good wishes of the MSZMP CC, and of comrade Janos Kadar personally," he emphasized. "We thank you all for standing fast, and for the understanding support of your family members."

Describing the Worker Guard's significance 30 years ago, Nemeth emphasized that the establishment of the Worker Guard was a significant element in the fight against the counter-revolution and in socialist consolidation.

He recalled the difficulties of those days: "The situation was characterized by the rapid defeat of the armed counter-revolutionary uprising. Its defeat was enabled by the USSR's internationalist assistance and subsequently by the establishment of Hungarian units to restore public order. But the ideological and political confusion was even greater. Our enemies did everything in their power to hinder the restoration of order and to paralyze productive work. They spread rumors and announced that in March they would start all over again. Many weapons were in unauthorized hands ... In this situation--in January 1957--our Party's leadership, at that time in the process of reorganizing itself, headed by comrade Janos Kadar initiated the arming of workers. This decision had an important ideological significance. By virtue of providing weapons, it expressed the Party's and the government's confidence in workers. The experience of 30 years, which rightfully may be termed a historic experience, proves that the Worker Guard deserves that confidence. At the same time, the appearance of Worker Guard divisions proves that self-conscious workers are prepared to volunteer for armed service so as to defend the achievement of socialism, and that they have confidence in the Party and in the government.

Together With Other Armed Forces

The Worker Guard [line missing] the people's power in an exemplary manner, and helped to establish the conditions of order, peace and constructive work. It contributed to the successful aversion of the counter-revolutionary attempt.

Nemeth emphasized that the fact that today's worker guards cherish and continue the traditions established by older generations, that today's guards perform their voluntarily accepted tasks in a manner befitting the examples of their predecessors, evokes a good feeling and a sense of respect in all of us. Many sacrifice part of their free time to prepare for, and to always be prepared for the defense of socialist achievements. Wherever help is needed, they are there. They perform well at the workplace and they actively participate in public life. Their examples and conduct exerts a positive effect on their environment. This is the more important because in our days there is an especially great need to increase our sense of social responsibility toward the community. We must endeavour to enhance a kind of humanist thinking oriented toward public life, a kind of political and moral conduct like the attitude exemplified by the worker guards. A sense by which we can prosper within a community, rather than to the detriment of others, will suppress indifference, selfishness and all other phenomena that are inconsistent with human decency. Worker Guard units are collectives in which actions in the public interest, fidelity toward the people, toward the socialist homeland and toward internationalist ideals are catalyzed.

The path that is being followed by the Worker Guard since its inception, together with the Party and the people demonstrates that fighting, and standing fast in an unselfish, honest manner made, and continues to make sense. Even if not everything came about the way we wanted it to and would have liked to, the past 30 years produced some great achievements. It is important that the present young generation also be aware of the fact that our socialist achievements embody the work our people sacrificed. We had to overcome many obstacles, we had to work hard for the results, we resolved great tasks. But we also had some misfortunes--we had to reckon with our mistakes and errors too.

"We are convinced," Nemeth concluded, "that the voluntary armed force of the working class will continue to fulfill its mission, as it did in the past. The worker guards fulfill their difficult, but distinguished obligation. To accomplish this, they will continue to enjoy in the future all the support our Party, our government and our people can give."

Recognition Of Standing Fast

Following the words of recognition and the greetings some exceptionally outstanding worker guards were given high recognition.

Worker guard colonel Istvan Dosa was promoted to the rank of major general by the Presidium of the Hungarian People's Republic.

In recognition of their Worker Guard organizational and developmental merits, and of their long-term successful workings the Presidium awarded the medal "For A Socialist Hungary" to retired Vas County commander Geza Koronczai, and to retired Budapest commander Laszlo Ruzsbatzky. The Hungarian People's Republic's Order of the Star, decorated with the golden wreath was awarded to Gyorgy Nagy, the first deputy to the national commander. The Order of the Star was awarded to worker guards Istvan Halanda of the national command, Gellenhaz unit commander Dezso Nyitrai, retired worker guard Jozsef Rajnai of the national command, and Mateszalka worker guard Janos Virag. The April 4 medal was awarded to group leader Geza Csege of the Borsod County command, retired deputy commander Jozsef Herczku of the Hajdu-Bihar County command, unit commander Karoly Nagy of the Szombathely command, company commander Rudolf Szlatinai from the Budapest 10th District unit, and division head Erik Szabo of the national command.

Nine persons received the Order of the Red Star, while ten were awarded the Distinguished Service Medal, and fifty the golden step of the "Serving the Homeland" medal.

The ceremony came to an end amid the performance of the Men's Choir of the Central Worker Guard.

The Youngest

Along with the founders, the successors too were present at the festivities. These are the representatives of the youngest worker guard generation. And this statement applies in particular to Sandor Valisko and his wife, Mrs Valisko, Eva Marazi. They were married in 1984. A year later, almost simultaneously, they joined the Party, and in the following year they took the worker guard oath. And all this should be prefaced by saying that their having met is also to be credited to service in the armed forces. [Missing partial sentence] As an enlisted man Sandor served with the border guards, where he met Eva, a civilian worker with the border guards. After his tour of duty and their wedding, Eva followed her husband to the Tungsram main factory. In recognition of her role as a previous youth leader, she was elected to become the secretary of the factory's KISZ organization. Soon thereafter they quickly found their place in the worker guard sub-unit collective of the factory ...

"It was Sandor who first decided to become a worker guard," the young woman said. "I too decided to join. And although I have heard many good things about the collective, it was still surprising to find a family-like atmosphere, a mutual sense of responsibility, a willingness to help and good will. Even as a woman I did not find training too difficult. I particularly like to shoot with a submachine gun ...

Sandor was named a vanguard at the border guards. He is accustomed to hard work, and finds it quite natural that as a worker guard too he would have an excellent shooting record, using a revolver and a submachine gun. He is even more proud of his wife, who at first attempt accomplished an excellent shooting record with a submachine gun, and two months ago received the enterprise's "Outstanding Worker" medal. Both believe: money in itself does not provide happiness. A good general feeling and health are also important.

After all this it will not come as a surprise to learn that the sub-unit in which people like Sandor and Eva serve is expecting to receive the title of "Outstanding Worker Guard Unit."

12995

CSO: 2500/342

WRITERS UNION CONTROVERSY OBSERVED IN POLISH WEEKLY

Preface to Sandor Fekete's Open Letter

Warsaw POLITYKA in Polish No 6, 7 Feb 87 p 8

[Text] For a long time the relations between the authorities and the creative artists in Hungary were regarded as a model of the "policy of dialogue." For several years, however, some disturbances in the dialogue between the authorities and some of the creative artists, especially the writers have been noted. Bela Kopeczi, minister of culture of the Hungarian People's Republic (in a speech at the end of November 1986) emphasized that the source of the tensions lay in the fact that as the rate of Hungarian economic development had slowed the economic and social contradictions had intensified. As a result tensions appeared in the ideological sphere, and there had been a worsening of the moods in some intellectual circles. This was reflected even during the elections of the officers of the Hungarian Writers' Association in December 1981, when some individuals critical of Hungarian cultural policy were elected to the highest offices of the Association.

Cooperation between the political authorities and the new Association leadership was clearly disorderly. According to Kopeczi's speech this was primarily due to the fact that the leadership of the Association never once disassociated itself from various opposition actions organized among the writers, including attempts to question the official evaluation of the events in Hungary in 1956 as counterrevolutionary. In response to the intensifying mood of opposition among some writers, the culture authorities were finally forced to resort to administrative measures (changing the editors of the popular monthly MOZGO VILAG in 1983 and suspending the monthly TISZATAJ a few months ago, and temporarily banning the publication of works by the well-known Hungarian writer Istvan Csaruka).

The course of the next congress of the Hungarian Writers' Association on 29-30 November 1986 brought no improvement in the relations between the leadership of the Association and the political authorities. There were a few speeches of an oppositional character. During the election of the new officers of the Association many individuals who were engaged in implementing the cultural policy of the MSZMP were not chosen. Against this background there was a further intensification of the disagreements. As a result more than 30 writers and critics left the Association, including the poet Ferenc Juhasz (the chief

editor of the monthly UJ IRAS), Laszlo Gyurko (the well-known writer and author of the biography of J. Kadar), Istvan Szerdahelyi (chief editor of the monthly KRITIKA), and Istvan Nemeskurty (director of the Film Institute, essayist, and literary historian).

Below we present fragments of the letter of one of those who has resigned, Sandor Fekete (the chief editor of the UJ TUKOR). [see Eastern Europe Daily Report 20 Jan 87] In the letter addressed to the new Presidium of the Hungarian Writers' Association, the author gives his motives for leaving the Association. The publication aroused a lively discussion in Hungary and great interest, even a sensation. The discussion is extending to ever broader circles.

Letter Challenges Editorial Preface

Warsaw POLITYKA in Polish No 14, 4 Apr 87 p 4

[Letter to the Editor by Doc Dr Kiss Gy. Csaba, polonist and member of the Hungarian Writers' Association, Budapest: "Why the Writers Are Leaving"]

[Text] As a Hungarian polonist, I always read opinions about our country that appear in the Polish press with great interest. . . .

I must, however, state that I read the editorial commentary on the text of Sandor Fekete (POLITYKA No 6) with a certain uneasiness, and it aroused reservations. It is obviously an editorial matter which the editors are presenting to their journal's readers as part of their post-congress articles and sketches on Hungary. The problem is, however, that the above mentioned text and commentary presents a somewhat one-sided view. There is too little objective information, there are even evident errors.

The deliberations which took place at the congress of the Hungarian Writers' Association last November can be judged in many ways, and it is natural that the results of the elections (to the presidium, the executive board, and to particular offices) provoked varying reactions among the writers and politicians. There is, however, no need, I believe, to dramatize further the frequently sharp discussions that took place at the congress as the editors of POLITYKA have done in their commentary (which is parenthetically surprisingly similar to the views of the congress of the Hungarian Writers' Association presented in the Western mass media). It is rather necessary to say that the elections were democratic, secret, that the law was not violated. The Ministry of Culture, which supervises the Writers' Association, had no doubts about this. A significant portion of the 71 members of the new board was also on the previous board (the most popular Hungarian writers in the West Gyorgy Konrad, who participated in the congress was not elected to the board). It is true that some writers have left the Association; but not more than 30 as POLITYKA indicates, but 28 (as of 16 February) or 5 percent of the total membership. Gently put, the title of the piece is greatly exaggerated. Among those who have left the Association we find both known and valued writers (for my part I regret that they are not among us), but why is the Polish reader only told of their names? Why is he not also told the names of those who are currently leading the Association? Their works, at least most of them, have

been published in Poland, too. The new chairman Tibor Cseres and the reelected deputy chairman Gyula Fekete participated in the international peace forum in Moscow. The second deputy chairman of the Association is Anna Jokai, who received a prize from PAX for her novel "Sun" in Poland in 1981. The new secretary general, the poet Miklos Veress (a party member), is popular in the Soviet Union, chiefly for his excellent translations of Russian literature. One of the newly elected secretaries of the Association is Istvan Kovacs, a poet, who is also an outstanding translator and promoter of Polish literature in Hungary. He is also well known and valued in Poland as the official expressions of recognition show: in 1984 Kovacs received the medal and title of Merited Man of Polish Culture, and in 1985 the award of the Literary Fund.

Although there was no lack of argument during and after the congress, the vast majority of Hungarian writers agrees, I believe, that not intensification of conflicts but dialogue is needed today. It would be a misunderstanding to divide the party and non-party writers. From my colleagues, party writers, I have learned with satisfaction that at the beginning of February a representative of the central party authorities told them that the party leadership had exerted no pressure on the writers who had left the Hungarian Writers' Association. Thus there is basically no sensation, rather there is at most an atmosphere that favors freer, more open expression.

Doc Dr Kiss Gy. Csaba, polonist and member of the Hungarian Writers' Association, Budapest

13021

CSO: 2600/585

NATIONAL ASSEMBLY EXAMINES FILM INDUSTRY PROBLEMS

Budapest MAGYAR NEMZET in Hungarian 7 Apr 87 p 5

[Text] The Cultural Committee of the National Assembly debated the film industry's situation, as well as issues pertaining to the structural transformation of that industry. The meeting took place at the Pannonia Film Enterprise headquarters and was chaired by Peter Horn.

The Ministry of Culture and Education submitted a written report. In his remarks deputy minister Gyorgy Vajda reminded the committee that during the past decade the motion picture production and distribution industries have not developed functional and organizational forms responsive to changed economic circumstances. An effective incentive system that permits both the cultural policies and efficiency to prevail, is missing. The film industry was unable to speak to the merits of changes that evolved by virtue of rapid technological development, such as television, video and cable TV. The increasingly grave financial condition of the motion picture production and distribution industries is worsened by the fact that even today the manufacturing aspects are dependent on state budgetary allocations. For the past five years the amount of state subsidies remained unchanged only in face value. The present worth of the subsidy supports only the elementary conditions required for the production of children's movies.

Depending on achievements both in content and in economy, it is necessary to develop a competitive situation vis a vis studios that function as independent enterprises and are severed from the Hungarian Film Producing Enterprise [MAFILM]. We will have an opportunity to sell, advertise and distribute their motion pictures also. Responding to questions posed by representatives, Ferenc Kohalmi, head of the Motion Picture Directorate stated that in order to permit the functioning of the reorganized entity and to resolve the most fundamental problems of the industry, 350 million forints of state support would be needed.

Relative to the independence and responsibility of studios, several representatives, including Ferenc Kallai (at large) and Janos Toth (secretary to the cultural committee) stated that in the future, both state support and the heads of studios should stimulate the creation of truly valuable motion

pictures that reflect socialist society and current Hungarian concerns. The committee agreed with the proposal of representatives Istvan Avar (Budapest) and Zoltan Kiraly (Csongrad County) by which the working conditions, and in this relation the training of writers, directors and cameramen should be reviewed in the future.

Coordination between the various branches of the industry was also discussed [line missing in the original] by which the various parties would discuss from time to time the relationship between video and TV, and the development of a cooperative scheme that is more rational than what exists today. The committee recommended the establishment of a forum in which representatives of the various fields would, from time to time, debate the issues. Miklos Jancso, president of the Motion Picture and Television Artists Association stressed that advancements in the visual field require not only organizational changes, but also a new perspective and a new approach both in management and in film production.

Developments in motion picture technology, changing viewer needs and habits, as well as the need for efficiency requires changes in the distribution structure also. The outdated, mostly obsolete, and in many instances not utilized network of movie theaters will be changed in the future by the distribution industry into a multi-channel system in which various motion picture media can serve diverse customs as adapted to local needs, by presenting different programs. This sytem would utilize the possibilities of the video system also. Several representatives, including Ferenc Sztrapak (Bacs-Kiskun County), Peter Kiss (Fejer County), and Zoltan Kiraly (Csongrad County) expressed their views that in discontinuing the motion picture theaters in small settlements, attention must be paid to the satisfaction of the cultural needs of their residents, and that in reorganizing the industry, local needs be considered thoroughly.

Other participants in the debate included: Rezső Bognár (Hajdu-Bihar County), Zoltan Csarnai (Budapest), László Boros (Budapest) Attila Zsigmond (Budapest) and László Czoma (Zala County).

12995

CSO: 2500/321

SOCIOLOGIST ELEMER HANKISS INTERVIEWED ON NEW BOOK

Budapest KONYVVILAG in Hungarian 7 Feb 87 p 5

[Interview with Elemer Hankiss by Tamas Nador: "Elemer Hankiss: Diagnoses 2"]

[Text] According to his self-characterization, he prepares the inventory, accounts for the movements, and examines the functioning of our society. In reality he is far more than that. He is the sworn enemy of anything that is stale, of all kinds of ossification and mental stuffiness. In other words, he is a childishly incorrigible clarifier, an interpreter of conduct and an eager seeker of communities. He is a diagnostician too of course, never tired for professional debate or consultation, be that in the form of patient discourse or at knives' point, nevertheless smiling. He is the kind of professional fast-thinker whose sharp mind prompts one not to injure, but to call a spade a spade--to say things that must be said. And the truth pours out of him so fast that one is prompted not to slow down, but to accelerate to catch up with him.

[Question] The "title number" of the book suggests what the reader should know anyway: he is leafing through and studying Volume 2 of "Diagnoses". What does Volume 1 contain?

[Answer] Volume 1 deals with a few of the phenomena--groups of phenomena in today's Hungarian society, with functional disturbances, with mal-functioning social mechanisms. By and large, it approaches the issues in the form of an analytical essay. One of the studies, for instance, analyzes the way in which traditional communities have disintegrated in Hungary, and why new communities did not take their place. Another article deals with the fact that in this changing world some disturbances arose even in human relations, and that no appropriate new forms of interaction evolved. A third essay seeks answers to the question of why Hungarian self-consciousness can be characterized as diffused, dispersed and fallen apart. In one of my writings I examined what kinds of communication voids and concerns nurture our richly flourishing trait of rumor-mongering. I wrote a study about disturbances in our value system, and so on and so forth ...

[Question] Volume 1 of "Diagnoses" was successful. Three editions sold out quickly, even though certain parts of it were received with reservation. How do you explain the initial condemnation, and to what do you attribute the subsequent recognition?

[Answer] Most of the articles appeared first on the pages of the periodical VALOSAG. Following the initial publication there indeed were some individuals who questioned the validity of publication, as well as certain hypotheses and statements contained in my writings. And there were some who expressed their dislike. But by the time these writings appeared in book form, the earlier objections had settled--much of what I said lost its brunt. This is not a unique situation--we can find similar situations frequently. I said nothing surprising in my articles. It was the act of having said those things for the first time that called attention. (By now the dissolution of communities and the upheavals of the value system are commonplace topics, blunted discussions.) Many of the things I said had been talked about all over, but seeing these things in print scraped certain views and interests. But my book also received some objective, professional, well-considered critical remarks. For example, they were justified in protesting the fact that I treat rather heavy social concerns with the ease of an essay, overlooking the need to document my views and to frame views in the form of systematic research. I must also agree with my critics on the point that the expression of half-truths is misleading, and by no means can half-truths be substitutes for the whole truth. I should not have stopped short from saying what could have been expressed after all, or at least from broadening the possibilities for the sake of some clever examples, some eye-catching terminology.

[Question] Volume 2 of "Diagnoses" also had to wait for a long time. Was the delay due to the fact that all the things it contains were things expressed for the first time? Or were you simply the victim of the publishing mechanism?

[Answer] The thoughts contained in that book also matured over a period of time. My study concerning the Hungarian model, for instance, was received with a number of reservations in 1980, the time I wrote it. Even though it endeavoured only to inventory the changes that took place in our society between 1950 and 1980. True, I accepted this task in those days with gaps in my not too courageous knowledge, and I took some risks. For this reason I am no longer amazed about the caution exercised by my editors ... In writing my new book I accepted the advice of my critics: I endeavoured to work more thoroughly. The above mentioned writing, for instance, examined the changes in the Hungarian economic, social and political institutional system of those thirty years. The shortcoming of that work is that I endeavoured to describe the transformation process only, and did not seek out the real catalysts. Thus I did not take advantage of the full potential. The way I think today, I would present the entire story in a different way. During the past five or six years Hungarian political science experienced as many changes as one would have experienced in earlier days over a period of 30-40 years. On the basis of new research data I could examine, for instance, how the process of paralysis beset the great transformation of society, and what influence the two had on each other. Since then I have completed another study which characterizes this duality. And it also deals with the way they tried to mobilize Hungarian society in one direction, that being the one designated by

the leadership. And then the kinds of self-mobilizing endeavours with which this society responded to real challenges beginning in the midsixties--contradicting earlier expectations. Accordingly, this region, this country witnessed more than a sole actor game. There are remarkably strong economic, social and political interactions that influenced, and continue to influence these movements.

[Question] In your extensive study entitled "Social Pathology" you are dealing with the functional disorders of modern societies. What kind of "pathology" are we really talking about? Can this expression be applied at all to society?

[Answer] My study deals with the latter question too, because professional literature argues the propriety of this biological metaphore. I am analyzing disturbances within the social mechanism exclusively (I do not analyze those of the economic mechanism, for instance) and the distorting effects or "pathology" of these disturbances upon human consciousness and conduct. This fact, I believe justifies the use of the expression "social pathology". The study deals with theories that examine this issue, and tries to inventory the possible functional disturbances in modern societies. Then I examine the social malfunctions that can be experienced in our society. In order for the economy to function well, the automatic harmonization of the multitude of public interests and self interests must also function well. In the age of classic capitalism Adam Smith thought that the market place automatically harmonizes conflicting private interests, permitting in the end the interest of society to prevail. As we now know, Smith's theory did not work out as perceived, capitalism required several corrections during the previous century, and especially after World War II within the welfare economies. As a result of these attempts they more or less automated the cooperation between self-interest and public interest. In Hungary these experiments continue to date. First we believed that we could subordinate everything to some abstract societal interest, and we were not supposed to even mention self-interest. After all, we were enthusiastically building socialism. We had to be disappointed regarding this perception. And we acknowledged that indeed there is a large variety of private and group interests. But then we did not draw the necessary conclusions, and did not create an institutional system that assists and supplies the sorting out, the clashing and the reconciliation of interests. In this way there came about a badly functioning mechanism which was not suitable for harmonizing self-interests and public interests. Constant interference resulted in distortions and thus a socially most favorable system of interest relationships could not come about.

[Question] Your book renews, and provides a new content to the social contract concept. What kind of agreement do you have in mind? And can there be an agreement that approaches the ideal?

[Answer] The concept of consensus is commonly understood. We can utilize this concept in a credible manner only if we clarify in precise terms who agrees with whom and on what. This concept does not embrace clashing and opposing interests, even though we do not deny the existence of these. The shortcoming of the expression "social contract" is that in a political sense it is really inaccurate. With varying degrees of specificity it suggests the

kind of cooperation the concept implies, and that cooperation progresses in the spirit of mutuality. According to this concept people know more or less what they will receive for something, and what they have to surrender in exchange for something else. In other words some specific laws of give and take govern their lives, and appropriate mechanisms take shape to execute these laws. Everyone is aware of the applicable rules, and knows what he can count on if he follows those rules. And it is this character of the agreement that assures the continuous give and take exchange. On the other hand, if there exists no such contract, this exchange will deteriorate, and many kinds of disturbances and malfunctions will occur.

[Question] We saw the first version of your study entitled "The second society" in VALOSAG. What does this title cover, and what changes were made in the article since its earlier publication?

[Answer] It dealt with partial functions of society. This article examines one of the fundamental functional principles of modern societies, and their peculiar doubling effect. There should be no misunderstanding: the title does not suggest that two societies exist side by side. We are talking only about two dimensions of social existence in which we all live. One of the dimensions is centralized economic management by the state, the single-party system, and the corresponding cultural control. The control systems of the other dimension counter those of the first dimension; the second dimension exists in a state of mutual influence with the fundamental control principle of the first dimension. There appeared some market mechanisms, for instance. We would have great difficulty in associating these with centralized economic management. There also appeared the so called administrative market, which is the platform for backstage bargaining processes. Everyone can experience the phenomenon of paternalistic social direction, which is inconsistent with the control system of the definitive direction exerted by the state. And it is commonly known that in the background of the relationship system that is visible on the surface, our society is deeply entwined in patron-client relationships. The coexistence, mutual influence and clash of market forces with the regulatory system of the state-centered economy can be observed in other countries and in other systems also. And a similar duality can be seen in society and in politics too. This then is not a pathological symptom, but instead is a social phenomenon which we must recognize.

[Question] One of the mottos in your new volume reads: "everything that can be expressed, or things that almost cannot be expressed, must be expressed, even if the whole story cannot be told: the readers will develop the story in their minds". Using your own criteria: what did you fail to express in this book?

[Answer] Some of my recent studies were not included in this book. In one of them I am attempting to present a sketch of the various regulatory systems that functions in Western European and Eastern European societies. I am also examining the kinds of economic, social and political conflicts that may arise from frictions and clashes of these frequently contradictory regulatory systems. The title of this study: "The black box" suggests that of all these things my knowledge is relatively little.

SOVIET-POLISH FRIENDSHIP SOCIETY PLAN SET

Warsaw TRYBUNA LUDU in Polish 12 Feb 87 p 4

[Article by (j): "This Year's Friendship Society Plans"]

[Text] This year's plan for cooperation between the Polish-Soviet Friendship Society [TPPR] and the Soviet-Polish Friendship Society consists of very numerous and diverse items. As a result of it, this cooperation will become even closer. The basic tasks of both societies remain unchanged: activity on behalf of full implementation of the varied plans for economic, scientific-technical, and cultural cooperation between Poland and the USSR.

This year, copious programs have been prepared for celebrating the 70th anniversary of the October Revolution and the 100th anniversary of the birth of Feliks Dzierzynski. The Soviet Science and Technology Days to be organized in Poland in 1987 will be an important event for the TPPR.

In the area of political education work, various seminars, lectures, and discussion meetings will be organized; the Polish side will continue the "Friendship and Cooperation Relay Race," and the nationwide Review of the Activities of TPPR School Clubs. Among other things, there will be a conference of Polish and Soviet historians on the subject of "The Significance of the October Revolution for the Achievement of Polish Independence." There will also be a seminar for the activists of both societies on the subject of "Feliks Dzierzynski—Symbol of Proletarian Internationalism."

The program of activities in the area of culture promises to be particularly interesting. There will be another Festival of Soviet Song in Zielona Gora, a "Colors of Friendship" singing and dancing competition for children, a competition in reciting Russian and Soviet poetry and prose, "Friendship Pageant" folklore workshops, Soviet film days, artistic and reading competitions, etc.

The friendship societies will aim at the further development of contacts between their local organizations in the cities, provinces, republics, and districts that have established friendship relations, and at an intensification of the ties between their basic organizations active in the production plants, scientific and cultural institutions, schools, and universities that are cooperating with each other.

9909

CSO: 2600/485

MIODOWICZ ON EXPANDED SOVIET TU CONTACTS

Warsaw RZECZPOSPOLITA in Polish 2 Mar 87 p 2

[Statement by Alfred Miodowicz, chairman of the All-Polish Convention of Trade Unions: "Broadening the Contacts Between Polish and Soviet Trade Unionists"; first paragraph RZECZPOSPOLITA introduction]

[Text] In the evening hours of 1 March the Polish trade union delegation that had participated in the 18th congress of the Soviet trade unions returned. Shortly after arriving, Alfred Miodowicz, a member of the Politburo of the PZPR Central Committee and chairman of the All-Polish Convention of Trade Unions, made the following comments to a reporter for RZECZPOSPOLITA.

"The congress of the Soviet trade unionists made a great impression on us. They deliberated during a transformation in the Soviet Union, in which the trade unions will play a significant role. Among other things the role of the plant union organizations will increase.

"Listening to the voice of our fraternal unions, we were interested to find that they have problems similar to ours. First, housing construction. Plants in the Soviet Union must support it, help the state. The All-Polish Convention of Trade Unions included a similar proposal in its programs for improving the housing situation in Poland. Next, preventive health measures, workings conditions, unionists' participation in the development of economic plans, finally, a most important item, production quality, a new look at competition in work. These were the chief topics of the congress.

"We signed a cooperative agreement with the Soviet trade unions with which we are very happy.

"Further, this congress was an opportunity to conduct bilateral talks with foreign delegations belonging to the WFTU and also to the ICFTU and the World Confederation of Labor. The talks concerned our contacts, we exchanged information about the situation of the union movement around the world and discussed Poland's membership in the ILO. We also devoted considerable attention to preparations for the meeting of the Bureau of the WFTU in Warsaw this month."

13021

CSO: 2600/525

UNIONIST CONSIDERS REFORM POSSIBILITIES

Warsaw ZYCIE WARSZAWY in Polish 6 Feb 87 p 3

[Text] Zdzislaw Tuszyński, the vice chairman of the Federation of Metal Workers, told Andrzej Luczak the following in GAZETA POZNANSKA (27 January):

"Just like the government, we want a healthy economy. We are in favor of economic and market equilibrium, but we cannot achieve it by raising prices, freezing wages, or bringing about a real decline in them. In our opinion, the way to do this must be increasing deliveries to the market by carrying out a pro-market restructuring of the economy. Such activities in the CPR [Central Annual Plan] are negligible, however.

"As Alfred Miodowicz stated at the Third Plenum of the PZPR Central Committee, it is time for the Sejm to stop being a contact box into which the government drops its proposals. It seems essential to increase deputies' legislative initiative, and make it possible to have controversial discussions in the Sejm forum. In my opinion, it is also time for our union deputies to give an accounting of their attitudes and actions. It seems that a guarantee of the implementation of these demands would be the creation of a Union Deputies' Club. The division of our deputies among the existing clubs, depending on the field they are in, limits their freedom of action and causes an erosion of union interests.

"The second stage of the economic reform should begin with standardizing the structure of economic organizational units, including, perhaps above all, the organization of the economic center. The verification of the center should not consist of eliminating two or three superannuated jobs, but rather of a comprehensive rebuilding of the principles and mechanisms of operation. As a result, this should bring back the possibility of benefiting from the famous 3 S's [self-management, self-reliance, self-financing], which were planned during the initial period of the first stage of the reform, but remain unrealized today. We will persistently assert that the chance lies in the organization of labor, in economic mechanisms compelling a pro-efficiency economy, and not in driving people to work on free Saturdays and Sundays, in overtime and worker partnerships. The chance lies in creating mechanisms such that work will provide concrete material results for workers, in addition to satisfaction and contentment."

9909

CSO: 2600/485

YOUNG WORKERS' SELF-MANAGEMENT ATTITUDES SURVEYED

Warsaw ZARZADZANIE in Polish No 1, Jan 87 pp 31-33

[Article by Jerzy Puchalski, Institute for Research on the Problems of Youth: "The High Value of Self-Management"]

[Text] In July and August of 1985 the Department of Young Workers' Studies of the Institute for Research on the Problems of Youth performed a sociological study at one of the largest enterprises in the metallurgical industry. The subject of the study was the social activity of young workers. The opinion poll comprised a group of 418 workers, chosen by lot, who were not over 34 years old.

A definite majority of those surveyed were men (87.1 percent); individuals 25-34 years old (85.2 percent), with basic vocational educations (49.3 percent), past the 7-year mark of service to the establishment (58 percent), and from a working-class social origin (62.7 percent) predominated.

Among the workers polled 49.5 percent worked in a 4-brigade system, and 34.4 percent were in a single shift system. According to their responses, 46 percent of those surveyed worked in trades for which they had studied, and 8.9 percent of the workers were continuing to study in school or also were participating in continuing education courses.

Of those surveyed, 80.9 percent lived near their workplace and took no more than half an hour to get to work. Most (75.6 percent) already had a family and one or two children.

In the group surveyed, 63.6 percent did not own their own dwelling, and of these:

- 50.2 percent lived with their parents or relatives,
- 11 percent rented an apartment, and
- 2.4 percent lived in workers' lodgings.

Workers owning an apartment comprised 34.7 percent of the population surveyed. Comparing the percentage of those surveyed having families with the percentage of workers having an individual apartment indicates that about 41 percent of young working families did not have their own apartments. The most numerous group consisted of workers earning from 16,000 to 21,000 zloty monthly, whereas

the average income per family member ranged from 3,100 to 6,000 zloty. At the time of the survey, 11.5 percent of those polled belonged to the ZSMP [Union of Socialist Polish Youth], 9.3 percent were PZPR members, and 8.1 percent were ZZ [Trade Unions] members. Prior to the imposition of martial law, 66.3 percent of those surveyed were members of NSZZ [independent trade union] Solidarity, and 8.9 percent belonged to a trade union.

The purpose of the study was to establish the young workers' level of social activity, to define the causes determining worker participation or lack of it, as well as to attempt to explain present attitudes and behavior. The hypothesis that social activity is accomplished mainly within the framework of state organizations may influence the level of social activity. This of course also concerns self-management. One of the necessary conditions for worker self-management action in an establishment is the support and trust of the workers. A minimal degree of their activity and involvement is necessary.

In light of our survey, what then is the evaluation of worker self-management against the background of the remaining social organizations? We asked the questions:

In whose interest do the organizations in workplaces act?

Those surveyed evaluated the activity of each of four organizations based on their representation of interests. An organization acts in the interest of:

- the entire staff,
- its members,
- the organizational leadership,
- the party,
- the establishment's directorate.

The answers to this question are presented as a problem approach in Table 1, taking the first three possibilities above into account.

According to those polled, self-management acts chiefly in the interest of the entire staff, while the union, party, and youth organizations represent mainly the interests of their members and the organizational leadership.

In the opinion of the majority of those polled, self-management does not act in the interest of the organizational leadership, which permits one to think that in the establishment studied, detachment of the workers' council from the staff did not occur, and the self-management bodies had not lost contact with it. The divergence between the image of self-management and the remaining organizations is an expression of a definite attitude toward this organization, and also proves that self-management enjoys the workers' trust. One must think that this appraisal also results from the perception of statutory differences among the social organizations. According to those polled, self-management bodies constitute a form of staff representation and serve to articulate and transmit the workers' interests "up."

What does self-management do?

The activity of social organizations may be reduced to only a few basic functions:

- participation in management of the enterprise,
- encouragement to fulfill production tasks,
- mobilization for social causes,
- representation of workers' interests,
- social-everyday life activity.

We will understand the concept of representing workers' interests to mean passive representation--"listening to workers' proposals and complaints"--as well as active representation--"working effectively toward implementing workers' proposals and demands." The workers polled estimated the degree to which self-management implements social functions in the establishment (Table 2).

In the opinion of those surveyed, worker self-management fulfills four basic functions in an establishment:

- represents the workers' interests,
- participates in management of the enterprise,
- encourages fulfillment of production tasks,
- attends to social-everyday life activities, although to a lesser degree.

Passive representation of workers' interests--"listening to workers' proposals and complaints"--was named in first place. According to those polled, organization of social doings remains outside the compass of self-management activity.

The favorable attitude of those surveyed toward worker self-management may be explained by the role of this institution in representing workers' interests. This concerns both passive and active representation. In the estimation of those polled, self-management outdistances the three remaining social organizations in representing workers' interests (Table 3).

Self-management as a representative of workers' interests was evaluated higher than a trade union, indicating that it fulfills substitute functions in relation to the union organization. Regarding their expectations, those surveyed often attribute the role of a trade union to self-management, since they see authentic representation of the workers in this organization. One infers that workers perceive workplace social organizations chiefly in terms of effectiveness in implementing their interests. One may also conjecture that they will be inclined to participate actively in those organizations which will look after their interests.

Those surveyed were asked:

What does social activity in self-management give to workers? What advantages are seen as resulting from activity in self-management bodies?

The majority of the workers surveyed think that activity in self-management bodies enables one to participate in important matters, provides an opportunity for making important decisions, serves the good of the establishment, allows one to help one's colleagues (Table 4).

The role of self-management in making important social decisions concerning the staff and establishment was emphasized. Activity in self-management bodies is connected with satisfying the need for participation in managing the establishment and workers' needs for self-fulfillment.

On the subject of advantages gained from activity in social organizations in the workplace, there is a striking divergence in the opinions of those surveyed concerning activity in self-management on one hand and activity in the PZPR, ZZ, and ZSMP on the other. Those polled feel that social activity in the PZPR, ZZ, and ZSMP facilitates career advancement, gives access to privileges, and allows one to organize one's life better, whereas activity in self-management serves the good of the establishment, allows one to help one's colleagues, and constitutes a basis for greater respect.

These perceptions of trade organizations are illustrated in Table 5. The figures given show the differences between percentages of positive and negative answers or vice-versa.

The social prestige of activity in social organizations in the workplace was regarded most skeptically. The activity of workers in worker self-management bodies enjoys relatively the greatest respect. Activity in the three remaining organizations does not constitute a basis for great esteem.

Social Evaluation of Activity

Institutions and social organizations operating in a workplace establish the institutional level of social activity. We asked those surveyed in which organizations workers would participate willingly, in their opinion (Table 6). Nearly half of those polled said workers' participation in worker self-management bodies, which may indicate their positive attitude toward self-management activity. Estimation of workers' activity in the other organizations was significantly lower. Every other person surveyed acknowledged willingness to participate in self-management, while every 10th worker would participate in the ZSMP and ZZ, and barely every 20th worker in PZPR and PRON.

Substantiating the evaluation of workers' activity in worker self-management bodies, those surveyed stated that self-management acts more in the interest of the workers, is an authentically independent institution, and represents the interests of the staff to a large degree.

Here are several statements:

--Self-management is the organization which acts in the interest of all workers and defends their interests. It endeavors to counteract decisions of the directorate which are irresponsible and harmful to workers by influencing the operation of the establishment.

Table 1

<u>Acts in the interest of the entire staff</u>	<u>Percentage of answers</u>		
	<u>Yes</u>	<u>No</u>	<u>Hard to Say</u>
Self-management	66.5	18.7	10.8
Trade union	31.4	51.2	11.5
Party organization	21.7	56.5	13.2
Youth organization	20.8	56.3	17.2
<u>Acts in the interest of its members</u>			
Party organization	78.0	9.1	7.9
Trade union	76.4	10.1	6.7
Youth organization	75.9	4.1	9.3
Self-management	48.5	35.0	10.8
<u>Acts in the interest of the organization's leadership</u>			
Party organization	75.3	11.0	8.1
Youth organization	70.4	12.9	12.2
Trade union	65.8	16.9	11.0
Self-management	38.3	42.1	13.6

Table 2

<u>Matters attended to by self-management</u>	<u>Percentage of answers</u>		
	<u>Yes</u>	<u>No</u>	<u>Hard to Say</u>
Hears proposals and complaints from workers	63.6	16.8	14.8
Participates in management of the enterprise	56.6	18.3	20.1
Works toward improving work for fulfillment of plan	51.2	23.5	20.1
Works effectively toward implementing workers' proposals and demands	50.9	23.0	20.1
Campaigns for fulfillment of plan	49.7	25.6	19.4
Attends to social activities	39.5	29.5	25.1
Organizes social functions	19.6	49.5	25.4

Table 3

<u>Listens to workers proposals and complaints</u>	Percentage of answers		
	<u>Yes</u>	<u>No</u>	<u>Hard to say</u>
Self-management	63.6	16.8	14.8
Trade union	42.8	30.6	22.2
Party organization	33.0	39.0	23.0
Youth organization	23.9	42.4	28.0
<u>Works effectively toward implementing workers' demands</u>			
Self-management	50.9	23.0	20.1
Trade union	25.6	44.1	26.3
Party organization	16.3	51.4	27.3
Youth organization	13.6	52.4	28.7

Table 4

<u>Activity within self-management</u>	Percentage of answers		
	<u>Yes</u>	<u>No</u>	<u>Hard to say</u>
Allows one to participate in important actions and matters	68.2	17.2	9.8
Gives one an opportunity for making important decisions	63.2	22.2	9.6
Serves the good of the establishment	59.8	21.2	14.4
Allows one to help colleagues	55.2	25.9	13.4
Gives one an opportunity to direct others	46.2	36.1	12.7
Gives access to privileges	44.5	38.1	13.2
Provides a basis for greater respect	41.6	31.9	21.3
Allows one to organize one's life better	40.7	42.5	12.9
Facilitates career advancement	39.3	41.6	15.1

Table 5

Career advancement is facilitated
by activity in:

PZPR
ZSMP
ZZ
Self-management

Difference between percentages of
positive and negative answers

58.9 Yes
27.3 Yes
25.3 Yes
2.3 No

One is allowed to organize one's
life better by activity in:

PZPR
ZSMP
ZZ
Self-management

52.8 Yes
25.9 Yes
22.3 Yes
1.8 No

The good of the establishment is
served by activity in:

Self-management
ZZ
ZSMP
PZPR

36.6 Yes
4.8 Yes
4.6 No
7.0 No

One can help one's colleagues by
activity in:

Self-management
ZZ
ZSMP
PZPR

29.3 Yes
4.5 No
3.9 No
20.6 No

Table 6

Organizations in which workers would
participate willingly

Self-management
ZSMP
Trade union
PZPR
PRON

Percentage of answers
Yes No Hard to say

48.1 37.7 22.7
10.1 71.5 16.3
9.1 71.3 17.2
5.0 77.5 15.3
4.3 70.0 23.7

--Workers themselves chose self-management, which represents them.

--It is the one worker organization in which people are not after personal success.

--The operation of self-management is more open, and a given worker goes to meetings to share proposals with the staff.

--They believe that they will change something for the better.

The survey showed that the institution of worker self-management is closest to the staff; self-management serves to articulate and represent the workers' interests, provides a certain opportunity for participation in managing the establishment, satisfies workers' needs for self-fulfillment, and the workers in some measure are willing to participate in self-management bodies compared with activity in the remaining social organizations in the workplace.

13324/12232

CSO: 2600/512

SELF-MANAGEMENT ISSUES RECEIVE EXTENSIVE PRESS ATTENTION**Workers Self-Management Embattled Issue**

Warsaw PRZEGLAD TECHNICZNY in Polish No 6, 8 Feb 87, pp 6, 7

[Article by Pawel Ruszkowski: "The Guardians of Independence"]

[Text] A resolution by the 10th PZPR Congress strongly counts worker self-management as one of the lasting achievements of the champions of the democratization of public life in Poland. Does this mean that the struggle has been won? I think that it would be more prudent to regard the congress statement as an actual communique from the battlefield than as a song of triumph.

The central section of the front is the 25 September 1981 law on worker self-management. There has been a continuing and unofficial rivalry to see who will finally succeed in changing this law. The action is being conducted under the idea that self-management is good but the law is bad. Every bill to update the law and which addresses the issue of enterprises includes fairly discrete anti-self-management "barbs". Such was the case in the issues of collective bargaining, the status of directors, mixed enterprises and science and production centers, etc. (1).

From its flanks, self-management is being attacked by gigantomania or the tendency to transform our economy into a single huge and guided enterprise and the actual point of attack is the automobile industry.

The point of attack of the supporters of partner brigades is also not entirely clear. Analysis of the most recent statements (2) on that subject indicate that this is an entirely separate concept of self-management than the one currently being realized. The basic form of industrial democracy is supposed to be not as much the worker's council as the worker brigade which is empowered to make decisions on all production and factory issues. The brigades have said nothing more specific about how workers will be able to take part in this decision-making. Therefore, depending on the situation, this concept can serve the realization of entirely different economic and social goals.

And what is happening in the enterprises themselves? Above all, worker interest in the activity of the worker councils has been unsatisfactory. Indeed, the frequency of elections is no longer a problem but at the same time, there are fewer people willing to become council members. The spiritual state of the self-management aktiv is illustrated by the following sentence: "Self-management is a maximum of effort and responsibility and a minimum of satisfaction".

One of the most significant causes of this frustration can be seen in the consistent action of enterprise administration and its efforts to limit the influence of self-management. Let us look at the basic tactics used against the worker councils.

Information Blockade

Studies (3) have shown that some directors (36 percent) make information available only if the worker councils clearly demand it. This attitude creates a barrier hard to overcome because if a council is to demand information, it must first know whether the required document was prepared within the enterprise or outside. This is made even more difficult by the fact that the director remains the sole organ for most of the institutions that form the organizational environment of an enterprise. In addition, most of the letters concerning enterprise matters are addressed to the director alone.

The tradition of making decisions "behind closed doors" among a small group of trusted individuals has very strong roots among the management personnel of our economy and an effort has been made to impose this style on the functioning of the worker's councils. Council decisions are seldom published in more than a handful of copies. Workers almost always hear only a dry report of council proceedings. If workers were informed that the council had considered various means of resolving a problem, they would know that the final decision was not the only one possible but the one chosen from several variants and that knowledge would turn their heads.

The methods used to suppress self-management information are fairly prosaic. For example, the director personally censors council communiques and resolutions and removes portions that he may feel the workers should not see.

Refusal to act. This is a "creative" use of bureaucratic mechanisms. The director treats the worker's council like a bureaucrat does a persistent supplicant. Council resolutions, recommendations or initiatives are calmly accepted and then forgotten. If the council insists that something be done, then after a few months of silence, it receives an evasive or entirely irrelevant answer. The council members must have great determination and stamina to function as the co-directors of their plant.

The tactic of formal disputes consists of the director's restraint of all council resolutions that differ from the concepts accepted by the enterprise management. This type of activity was encouraged by legal regulations that were in force until the end of 1985 which stated that a director could restrain any such council resolution if he felt that it violated the law or

was against the public interest. This principle was often abused by directors.

The negative attitude of enterprise administrations not only lowered the effectiveness of worker's councils but also paralyzed the activities of self-management. The multiplication of organizational difficulties, unresolvable disputes and absurd interpretations of existing laws have discouraged council members and caused a lack of faith in any possibility of changing the existing situation.

Council Strategy

In conclusion, one can say that neither the force of law nor the will of the workers will automatically turn worker's councils into comanagers of their places of employment. The secret of influencing decision-making is not at all to be found in the voting mechanism because the process of preparing a decision is what is most important.

The basic prerequisite for the worker's councils to fulfill their function as comanager of the factory is for them to become involved in preliminary work to analyze and select source materials, define the directions to be taken by desired solutions and balance any eventual losses and gains.

For the plant administrations, it is a much more convenient situation when self-management restricts its activity to decision-making alone. A typical example of such an approach is the procedure used by most enterprises to pass their yearly plan. Specialized administrative bureaus work out the preliminary assumptions of the plan over a period of several months and experts prepare reports. This produces a document that considers the basic procedures used with the banks, founder's organ and the Planning Commission. This report is then sent to the worker's council which is to spend about two weeks reviewing it. In this context, the interaction between amateurs from the self-management councils and the professionals of the administration is a pure illusion. Council members can at best become familiar with the basic premises of the plan but they are unable to change anything.

If the council participates in the decision-making, the self-management activities take on a concrete economic and social significance. The council that does not take up such work will never amount to anything more within its firm than just a puppet organization.

One of the signs that a worker council is independent is when it works out its own position on a given issue by calling on the help of problem teams or commissions. Studies have shown that this mechanism is employed by about 70 percent of firms and this means that the interaction between worker's councils and the party and union organizations has become a series of formal negotiations in which both structures usually present their ideas in written form to the council. Furthermore, the councils often hold a referendum to gain the employees' opinion.

What Was Found?

An interesting relationship has been revealed by analysis of the social and political background of council members. It was discovered that the councils that call on the help of problems commissions and teams usually contain more party members and unionists as well as more members of the former Solidarity union (4). This leads one to a rather obvious conclusion which is that in these councils one finds people who were previously active in other organizations and therefore have a certain amount of organizational experience.

The self-management councils in which one finds former Solidarity activists more often (13.5 percent) work out decisions with the help of commissions.

We must also point out another mechanism that limits independent decision-making by the councils. Studies have shown that in 79 percent of enterprises, the councils are required to have their materials prepared in a joint session of the council presidium and plant director. These councils more often consists of trade union members and less often of former Solidarity activists.

In giving up its legislative guarantees of independence, a council weakens itself. This is above all true because because the presidium then becomes the real decision-maker and this is always followed by a drop in the activity of other council members. Furthermore, this weakens the council in relation to other decision-making groups within the enterprise. In practice, this can be the first step toward a return to the 1970's concept of the "worker self-management conference".

Pragmatic Measure

Council independence was studied not only in the context of decision-making but also in terms of how they are prepared. It was assumed that a decision is reached independently by a council if the council added corrections to the proposals on a given issue submitted by the plant director or party or union organization. It turned out that there is a substantial relationship between the councils' ability to make independent decisions and the number of former Solidarity members within them.

Independent decision-making concerned the following issues: evaluation of the correctness of work standards, improvement of work organization, adoption of work regulations, auditing work discipline, adoption of a plant wage agreement, the granting of plant and state awards, housing and the funding of social organizations and associations. Out of 29 councils studied, 9 (31 percent) of them included former Solidarity members and were characterized by greater independence. It needs to be emphasized that the councils are more interested in making independent decisions on work processes than the division of funds and that undermines the popular notion that the self-management councils are chiefly concerned with getting higher wages and more privileges for the workers they represent.

The author is an employee of the Center for Public Opinion Research. In this article, he has used the results of his own studies.

FOOTNOTES

1. See Jan Kalita, "Zamach na samorządność" [Attack On Self-Management], ZYCIE GOSPODARCZE. No 31, 1986.
2. Sylwester Zawadzki, "Sens brygad partnerskich" [The Sense of Partner Brigades], ZYCIE WARSZAWY, 23 September 1986.
3. Empirical data from a Public Opinion Research Center study titled "Worker Self-Management in the Process of Managing an Industrial Enterprise" which was carried out in April 1985 in 334 enterprises with more than 500 employees.
4. Former Solidarity members are also members of 43.5 percent of the studied councils.

Center for Self-Management Studies

Warsaw ZYCIE WARSZAWY in Polish 12 Feb 87 pp 1,2

[Interview with Sylwester Zawadzki, member, Council of State by Maria Dunin-Wasowicz: "Support for Self-Management"]

[Text] [Question] Professor, in Autumn, the sceptics said that self-management will be finished by Spring. However, the Center for Self-Management Studies [CSS] was founded recently. Has this fact denoted some change in the situation?

[Answer] The center was founded by the 10 July 1986 Council of State resolution. The creation of this center therefore means that a clear need felt for some time by self-management activists is being met. The creation of the CSS is also a response to the resolution of the 10th PZPR Congress and the entire concept of accelerating social and economic growth. It is also a response to those who fear that self-management will not survive. I feel that self-management is a social factor of great promise and the center will become the institution whose actions support it.

[Question] Better late than never.

[Answer] I would not say that is true. After all, training has been conducted by various institutions and the center does not intend to replace them nor does it want to take over the work of the consultative points created by the Sejm Self-Management Commission.

We must just support this activity and broaden it with new initiatives. I think that the creation of the center is just a step forward and the making of the right conclusion from the form of cooperation with self-management that have so far been too weak.

[Question] You direct the Programs Council created in January of this year. What will the center be involved with at the start?

[Answer] The Council of State outlined four basic directions for the center and they are to inspire training activity, train lecturers and prepare training materials. The center will be organizing legal advice and helping to distribute information about the experiences and court rulings concerning worker self-management councils. Finally, the center will also be initiating studies on the introduction of self-management and cooperate in this work with other scientific centers in Poland. It will also work to inspire publications dedicated to the problems of self-management.

[Question] Will the center conduct its own research?

[Answer] The CSS was not conceived as a scientific establishment or a great organizational machine. It will therefore stimulate research but the execution of these studies will depend on scientific establishments. Even now, polls are being conducted to determine how well the brigade work system is functioning.

[Question] At this time, the center has only 5 employees along with its director, Dr. Kazimierz Mzyk. Is that enough people?

[Answer] There will still be many more and all of them will be highly qualified. It is important for the public to support this professional activity with its own initiatives. I am referring to the Program Council, whose membership is evenly divided between chairmen of worker self-management councils from all over Poland and representatives of the the Sejm's Self-Management Commission and Socioeconomic Commission, the Self-Management Commissions of the Provincial People's Councils, the OPZZ, scientists and experts.

[Question] Recent years have shown that the economic authorities have unfortunately not made a penetrating analysis of studies on self-management. Will the appearance of the center change anything in this regard?

[Answer] I think that it will. We are already beginning to receive the results of studies conducted by individual research centers. Recently, we received a very extensive report from the Orgmasz Machinery Industry Management Institute. We will be analyzing this study to find practical applications.

[Question] At the November meeting of the Self-Management Commission, you said that the CSS should support self-management in its contacts with the state government. What kind of support should it provide?

[Answer] Above all, it should support self-management by providing legal and organizational advice and still more types of assistance. It is a complex problem to enhance the standing of self-management organs and this goal will also be served by publications like "Vadamecum for the self-management activist". The "Self-Management Library" will be continued. We are also thinking of ways to support forms of self-education. At the first meeting of the Program Council, there was a very interesting proposal to get television involved in this work.

[Question] Obviously, "Vadamecum" must therefore propagate the principle of economic reform. On the other hand, we also know that the second stage of reform is being viewed with much apprehension by self-management representatives.

[Answer] The problem lies with their understanding of the second stage of reform. I think that the central problem can be found in creating stronger ties between workers and self-management and in bringing the reform to every workplace. This goal should be furthered by the creation of brigades that contract their work with the director. They themselves decide how work is to be organized and how wages will be paid. It is through the work brigades that an enterprise's worker council has the possibility of gaining direct access to the employees. This results in more democratic management and also increases production efficiency. This form of work organization benefits the worker, enterprise and state more.

The center places great importance to these problems. We will soon use the poll I mentioned earlier to make a statement on this subject.

[Question] However, some feel that reducing self-management to the level of the individual workplace obliterates the idea of strategic management.

[Answer] Why? After all, the worker council will remain at the level of the enterprise. The creation of people's councils did not weaken the Sejm, did they? Therefore, the emergence of a developed form of self-management has not at all changed the role of the worker council but enriched it.

[Question] There are still other problems. The studies state that "it has become necessary to take decisive action against any restriction of the role of self-management and to support its activities in order to introduce stable rules of economic play".

[Answer] The center very much supports the legal rights of self-management. Professor L. Bar, the leader of the Program Council's legal section is only speaking for himself. The basic criterium for evaluating self-management is how much influence it gives workers over decisions within their firm. These rights must be protected by working to overcome the many and diverse obstructions and barriers. We must see that directors come to fully understand the public's role in the management of their plants. I think that the fundamental changes taking place in the Soviet Union will contribute much to this.

[Question] And what about the fears that self-management will be turned into Worker's Self-Government Conferences?

[Answer] I would phrase that otherwise. The development of democracy and self-government in a socialist state is more than just a stroll in Lazienki Gardens. There is nothing in life that will guarantee changes without conflict. Aside from practical and legal guarantees, self-management is its own best guarantee. I think that recent events have confirmed that. Self-management representatives have taken a very strong stand against certain

proposals intentionally or unintentionally aimed at weakening their position. The democratic tendency has many dialectical preconditions and will find its own way through the difficulties.

In this context, the creation of the CSS is undoubtedly a factor that supports the position of self-management and fosters the consistent implementation of the principal resolutions passed by the 9th and 10th PZPR congresses.

Broad Political Aspects Discussed

Warsaw FKSPRESS WIECZORNY in Polish 13-15 Feb 87 p 3

[Interview with Sylwester Zawadzki, member, Council of State, by Danuta Kosciuszko: "Self-Management Is Neither a Facade Nor a Ceremony"]

[Text] [Question] Government circles have talked a lot lately about worker self-management and it is also being written about by the press and discussed on radio and television. Why, professor, is everyone so interested in this topic?

[Answer] We have long talked about the problems of both worker self-management and regional self-government. This is not surprising because the 9th PZPR Congress has again made the development of self-governing democracy its order of the day and has made self-government a part of socialist renewal. Discussion of this topic was enlivened especially during the creation of specific laws such as the law on worker self-management in state enterprises, people's councils and regional self-government, forms of farmer self-management and the law on court lawyer self-management. There was also lively discussion among legal advisors. I will, however, admit that we are at this time again seeing greater interest in self-management and this is connected with the fact that we are about to enter the second stage of economic reform and self-management is one of its main tenets. I will not hide the fact that the government's bill for a so-called mother-law which calls for the updating of 11 economic regulations has also contributed to the higher temperature of discussions on self-management. This was expressed during the Sejm's meeting of worker self-management activists as well as in later discussions and in the press.

[Question] It was the proposals of the government bill to update these 11 laws that aroused opposition because they were seen as an intention to weaken self-management and strengthen the role of directors. Do you think that these fears were justified?

[Answer] As opposed to many other people, I do not feel that strengthening the role of the director has to weaken self-management nor must the development of the latter threaten the former. In my opinion, there is no such relationship between the two. The position of self-management should grow but even the greatest amount of authority will be of no avail to it as long as the enterprise does not have an efficient administration that can deal with the difficult problem of technically supporting production, providing supplies and organizing efficient cooperation, etc. A wise self-management council will understand that good work cannot be achieved without efficient

direction and the directors must also be aware of the fact that the basic problems of the work establishment cannot be resolved without the support of the employees or efficient self-management.

[Question] And what do you think about the emerging opinion among activists that self-management should be represented outside of the plant?

[Answer] Indeed, I do hear such opinions. Some people see the chief weakness of workers self-management and the difficulties facing its further growth as its lack of representation on the level of the central and provincial government and within the ministries. They also feel that the most important task is to create such representation. I think that such views are the result of an erroneous analysis of the situation and that the problems facing self-management are not the result of any lack of a superstructure in the form of representation. I have serious doubts as to whether these superstructures are necessary, especially at the present stage. I do, however, think that the weaknesses of self-management are an expression of something else entirely and that is its weak support among workers.

Its basic goal now really is to form a stronger bond with workers. At the 6th National Conference of Workers Self-Management Representatives in autumn of last year, I expressed the view that the second stage of economic reform should be characterized by bringing the principles of reform to every worker as well as by creating a grass-roots structure for self-management and taking it to the lowest level of plant organization, the brigade. I think that as long as the workers' councils do not establish this type of bond with the workers, no super-plant organizations can help self-management. These would become meaningless and superfluous organizations. Who could say that, instead of concentrating on the problems of their own enterprise, the self-management activists would not start arguments about their right to involve themselves in such representation and get into procedural disputes? After all, that is something that is all too probable.

[Question] But one hears it wisely asked who has the right to express an opinion in the name of worker self-management. And who is supposed to represent these views?

[Answer] These opinions are now represented by the Sejm whose Self-Management Commission has often demonstrated that it defends the interests of self-management. There is also the Sejm Socioeconomic Council which includes many representatives of self-management. There are still other such councils in the provinces. They can hold conferences of self-management activists on either the departmental or the provincial level. Finally, there are also the national self-management conferences held on the initiative of the above-named Sejm commissions. The conclusions reached at these conferences are scrupulously analyzed in the Sejm and often form the basis for further parliamentary action. For activists, these conferences are an opportunity for them to discuss their most important problems.

[Question] You have almost convinced me that the activists long for a self-management chamber within the Sejm. They complain that the trade unions have their own national representation which does much to strengthen plant unions.

Under such a situation, self-management becomes the weakest member of the relationship between itself, the trade unions and the plant directors.

[Answer] Let me repeat that I am deeply convinced that the strength of self-management lies in its close ties to the workers. At the same time, there will always be some disputes between the worker's council, trade unions and directors because each of the three has its own point of view and interests. Differences of opinion are quite natural and are not something to be feared. Discussion is necessary to reaching the best decision that can be accepted by all. In my opinion, directors should be most alarmed when self-management and the unions are too passive because that is when they do not responsibly represent the workers who participate in the firm's activities.

[Question] However, in these natural and quite useful disputes, everyone involved should be open to the arguments of his partners and decisiveness in presenting one's own demands should not turn into mere stubbornness.

[Answer] Of course. In some issues, there is a predisposition for certain partners to take a particular position but they should try to be flexible at least. The director who is guided only by suggestions from the enterprise's founders' organ and ignores the concrete conditions under which his employees work can cause serious conflicts. Therefore, the essence of self-management activities is matching the general public interest with those of the employees. None of these interests must be made superior to all others and the proper relationship between all of them must be maintained. The disputes between self-management and the trade unions can be reduced to the fact that self-management is concerned with the growth of the enterprise and its production while the unions emphasize worker rights. These points of view should be harmonized because without any consideration of worker rights, it is impossible to achieve any long-term growth in the enterprise and production while at the same time, excessive emphasis on worker rights without proper consideration of the need to increase production can result in much lower worker wages.

[Question] What is necessary is a sense of responsibility.

[Answer] Yes, the right to make decisions must be combined with responsibility. Self-Management is a form of management which in this case makes the working class within the given firm responsible for the results of its own work. The greater the worker rights, the more responsibility they should bear. The same is also true of the trade unions.

[Question] Do we in Poland have sufficiently effective legal regulations to uphold this relationship?

[Answer] I think that there is no need now for any changes to our regulations because they are sufficient in their present form. The real problem lies in restructuring our awareness. The second stage of reform is not only the restructuring of our economy but also involves the need to make substantial changes to our way of thinking, without which we cannot achieve our economic goals and increase productivity. We should be aware of how we can better manage investment and technical progress and therefore, we cannot squander our

entire national income. A growth in production cannot be preceded by a rise in wages or inflation will ruin us. The worker must have greater responsibility for his workplace and enterprise. Obviously, the primary task of the party is to reconstruct our awareness and this is a job that neither self-management, the trade unions nor the plant directors can handle.

[Question] You said that self-management should go to the grass roots and to the worker's brigades. How are they to do that?

[Answer] Let us consider just what self-management is. It is a system of management by the entire staff of employees. Each worker is a particle of public management and can be elected to the self-management organ which is the worker's council. He has the right to speak out on company issues, etc. All of this is guaranteed by the law on worker self-management in state enterprises. Worker self-management on the lowest organizational level, the brigade, manifests itself most fully in what we call the brigade system or what some call the "agent" system. This is one of the key problems of the second stage of economic reform. The brigade signs an agreement with the director to perform a certain job for a certain amount of money. It is not paid for the work time or number of employees involved but just for the job done. This reduces the principles of reform to the basic organizational level. The brigade system is not just a theory but is actually functioning at the Swierczewski Works in Warsaw and at Hydrobudowa in Katowice.

[Question] The more you work, the more you earn.

[Answer] Yes. The experience of 200 firms in which the brigade system has been introduced shows an increase in production, lower employee turnover and absenteeism and people feel responsible for their firm because their work matters. This is what creates a self-managing collective. However, we must also be aware of the fact that we are still only at the beginning of the road.

[Question] I know that you associate the growth of self-management with the intellectual movement.

[Answer] Every form of activity dies out over time and becomes a mere facade if it is not accompanied by serious thinking that searches for greater prospects as well as for the best current solutions. Such thinking is suppose to be fostered by the CSS...

[Question] ...which you helped to found...

[Answer] ...which was also created by the Council of State. This was one of the first conclusions reached at the 10th PZPR Congress. The resolution to establish the center was passed in July 1986 to meet the real needs of self-management which were signalled by the 5th National Self-Management Conference. Self-management activists then wanted the possibility to organize training of an ever-newer and changing self-management cadre.

[Question] However, is the CSS being limited to the role of a training center?

[Answer] No. It has four functions to fulfill. The first one is indeed the legal and social training of self-management activists. The second function is to interpret regulations on self-management activities and provide legal advice. Its third function fulfills the need to popularize the experiences of self-management councils and therefore conduct studies on that topic. This function is most closely associated with something that I have already mentioned, the intellectual movement around the idea and practice of self-management. The fourth function is the popularization of experiences and ideas in the area of the brigade system and the use of publications and printed materials to promote the proper relationship between workers, the directors and unions, etc. I would like to add that the center's director is Dr. Kazimierz Mzyk who is working with a small but highly-qualified group of people.

[Question] You are the chairman of the CSS's Program Council. What is its role?

[Answer] Yes, I am its chairman and am therefore continuing my relationship with the center which started when I helped develop the concepts for its activities as a member of the Council of State. The Program Council includes the chairman of worker's councils from various enterprises and this not only keeps it in close touch with real conditions but also gives the self-management aktiv a strong influence over CSS activities. The Program Council also includes representatives from the Sejm Commission on Self-Management with its chairman, Stanislaw Kania and representatives of the Sejm Socioeconomic Council, members of self-management commissions and provincial people's councils, enterprise directors, union activists and representatives of the PTW and the Scientific Society of Organization and Administration, etc. Obviously, the role of the council is, as its name implies, to establish the work programs of the Center for Self-Management Studies.

Workers Self-Management Defended

Wroclaw GAZETA ROBOTNICZA in Polish 2 Feb 87 p 2

[Article by Bohdan Krakowski: "In Defense of Worker Self-Management -- to Divide Or to Create?"]

[Text] I attended the meeting of the worker's council at a construction firm. The council adopted its plan for 1987. The members were late in receiving their materials and the speaker flooded them with facts and figures. I saw no sign of interest on the faces of the listeners. The rickety discussion concentrated on wages (why they are so low), taxes (why they are so high), division of profits (why more cannot be allotted for wages) and social and housing funds (how to increase them to get more vacations and lower employee expenses). In principle, no one said anything about how to improve work results. No one even said anything about work supplies.

The democratic election of council members is proof of the trust of their working comrades and recognition for professional and public activity and is also a basis for justifiable personal satisfaction. On the one hand, the

worker's council is also a necessary organ for monitoring the efficiency of the administration's actions and also a forum for presenting workers' opinions about the functioning of the enterprise.

I am under the impression that this is an opportunity that is still going unexploited. More and more people are asking a quite significant question: Can the councils compel directors to listen to their workers or will they just outvote the councils?

On the basis of my own observations, I can say that the second tendency is getting the upper hand. Self-Management today faces the same dangers that overcame the worker's councils of 1956 and the worker's self-government conferences of later years. That would be terribly harmful to the Polish economic model. In the name of effective economic reform and satisfying worker aspirations, we must defend our present concept of self-management. The resistance of good workers and outstanding engineers and economists to the election of the new worker's councils in many enterprises is a significant warning signal.

We can therefore say that self-management activists have not been satisfied with their experiences of the last few years. The rigors of martial law and the autocratic endeavors of the administration have all limited the activity of worker's councils. An example of this is the competition between the worker's councils and the new trade unions to gain control of social and housing funds and the way in which profits are distributed.

Meanwhile, the intent of the law was to make worker self-management into an organ concerned with the creation of goods and means of growth. Directors often impose their own ideas on the councils and try to use various means of getting them to pass resolutions that they can accept. Some people are right in saying that directors should automatically be excluded from membership in the worker's councils. If the worker's councils can formulate their own demands independently, this would compel managers to act in a more efficient manner.

An ever-better trained and experienced working class cannot be a passive part of economic life. I think that worker self-management is a gratifying field of action for workers and can become an additional driving force for economic reform.

12261

CSO: 2600/461

ROLE OF MINISTERIAL COMMITTEE ON 'SOCIAL DISCIPLINE'

Gdansk DZIENNIK BALTYCKI in Polish 3 Mar 87 p 3

[Interview with Gen. Div. Dr. Lucjan Czubinski, deputy minister, Internal Affairs, deputy chairman, Committee of the Council of Ministers for the Maintenance of Law, Order and Social Discipline, by Witold Smolarek: "In the Interest of All of Us"]

[Text] [Question] Three years ago a Council of Ministers resolution established the Committee for the Maintenance of Law, Public Order, and Social Discipline, which is chaired by Armor Gen. Czeslaw Kiszczak, member of the Politburo of the PZPR Central Committee and Minister of Internal Affairs. What was the main reason for the creation of the committee?

[Answer] The realities in which we live... I think that it is not necessary to justify the thesis that in a period of overcoming the consequences of the crisis, occurrences of social pathology, which goes by many names, have a particularly unfavorable effect on the effectiveness of the implementation of socioeconomic tasks. Our committee's activity is aimed precisely at ensuring better cooperation among police, prosecution, and administrative authorities, administrative bodies, and other state institutions and social organizations involved in the struggle against crime and other violations of the law, and also in order to strengthen and improve the conditions promoting respect for law, discipline, and public order.

[Question] The committee's documents include, among other things, an entry that says that "on the basis of suitable analyses and assessments, it is noted that the adjustment of penal regulations to the degree of the threat, making it possible to increase accountability for particularly dangerous acts and to speed up the process of the administration of justice, is becoming one of the essential methods, especially in the fight against crime." The committee is consequently applying the so-called shock treatment.

[Answer] It is necessary, since otherwise it would be difficult to speak of any measurable results. But to return to the question, I would like to emphasize that the law in effect until the middle of 1985 did not completely fulfill its functions, and that it required modification. We consequently presented an initiative for amending the penal regulations, in the direction of increasing the penalties for the most dangerous crimes, and for those

individuals who did not offer any possibilities for rehabilitation, especially recidivists. The Sejm's 10 May 1985 adoption of the new legal solutions initiated by the committee, at the suggestion of the Council of Ministers, gave the prosecution and judicial authorities an essential weapon permitting a rapid and more effective struggle against the most dangerous crimes that threaten security and public order, and also to protect the national economy. The changes and new regulations also constitute an important means of exerting preventive influence, and dissuading many potential perpetrators of violations of the law from attempts against goods protected by the law. The application of the law is yielding the desired results.

[Question] Please indicate the committee's main aims for the future...

[Answer] One of the most important of them has been the committee's drafting of a report on social pathology, and of a draft government program for the struggle against those phenomena. That task was assigned us in October 1984 by the Politburo of the PZPR Central Committee, and is one more proof of the determined struggle and consistency of the party and the state in putting that area of public life in order. With the cooperation of scientific representatives, the committee drafted a "Report on the State of Crime and the Basic Crime-Producing Phenomena of Social Pathology and the Ways to Fight and Prevent Them." Using the observations made in the report and the conclusions formulated in it, and also general knowledge and experience, we subsequently prepared a draft government "Program for Preventing and Fighting Social Pathology and Crime in the Years 1986-1990," and a draft schedule for implementing it. The Council of Ministers approved both of those documents, and instructed all state bodies to implement them. The first stage of the initiation of the tasks arising from it is currently in progress. In the first quarter of 1987, 20 voivodships will be visited in regard to this. The initial results of those visits confirm that the tasks are being carried out correctly.

Let us stress that the government's actions are a fundamental part, but not the sole one, of the state-wide political program initiated by Wojciech Jaruzelski, the first secretary of the PZPR Central Committee. The government program is precisely integrated into this state-wide political undertaking. The meeting in Belweder between the chairman of the Council of State and representatives of various social milieux, which was devoted to the problems of the moral health of society, had great significance for the completion of these tasks. An essential role in this issue has been played by the Sejm's relevant resolution, and the resolution by the Council of State, as well as by the voivodship conferences held last year to mobilize the general public to participate in the process of the further improvement of social relations.

Let us add that such an important field as the struggle for the nation's moral health, for more law and order, and respect for social and legal standards of conduct, has never before been given such a high and universal priority as it is today. In 1985 a certain fundamental breakthrough was seen, since in that period crime, i.e., the most dangerous form of breaking the law, not only did not show an increase for the first time in the 1980's, but even slightly declined. Fewer criminal proceedings were instituted than in the previous year, 1984. The specific number of those proceedings decreased by 12,000, or

3 percent, and by 3.6 percent, recalculated for 100,000 inhabitants. In January 1987, fewer preliminary proceedings were instituted than in the same period last year, by another 8 percent. These results confirm that the road chosen is effective and correct.

Admittedly, crime is not the only element in what we generally mean by the concept of social pathology, but nevertheless, an assessment of the situation in this area indicates that the joint efforts are yielding positive results.

9909

CSO: 2600/574

MEDIA ROLE IN ANTIPATHOLOGY DRIVE STUDIED

Warsaw RZECZPOSPOLITA in Polish 13 Mar 87 p 5

[Article by (Or.): "About Pathology Without Simplifications"]

[Text] (Own information) The influence of the mass news media on the prevention of social pathology was the subject of a seminar, ending on 12 March in Roszalin, which was organized by the Council of Ministers Committee for the Maintenance of Law, Public Order, and Social Discipline and the Central Social-Legal Center of the ZSMP [Union of Socialist Polish Youth].

An assessment by CBOS [Public Opinion Research Main Center] of the social role of the press, radio and television in preventing negative social phenomena was presented, along with a report on the possibilities that the mass media, and especially television, might incite occurrences of social aggression.

On the other hand, a great deal was said during the discussion about the need to portray occurrences of crime and pathology without simplifications, preaching, and moralistic acrobatics. Such a need is indicated after all by the studies conducted by CBOS of the public's reception of the campaign for moral health. It was also indicated that it was necessary to create real and not illusory possibilities for people to become involved in the struggle against crime, since, as was stated by Prof Brunon Holyst, who led the seminar, we all pay the price for crime.

9909

CSO: 2600/574

COURT PROCEDURES EVALUATED, LARGER ROLE DETERMINED

Warsaw RZECZPOSPOLITA in Polish 12 Feb 87 p 2

[Article by PAP: "Role of the Courts in Proper Application of the Law"]

[Text] At a party-service conference organized on 11 February at the Ministry of Justice, there was a discussion of what favors and what hampers the efficient and effective functioning of the administration of justice, the role of the courts in the proper application of the law, and the tasks arising from this for the primary party organizations [POPs] active in the Ministry.

The presidents of the voivodship courts and the first secretaries of the POPs in those organizational units took part in the conference.

What is the reason for so many postponements in the examination of court cases? Are the social costs of the judicial system too high? What is the reason for the ineffective execution of the verdicts delivered? When will there be a significant improvement in the service provided to people calling at the court secretariats? These are only a few of the many problems brought up during the discussion. There was also a discussion of the significance of court jurisdiction in the second stage of the introduction of the economic reform, as accepted by the resolution of the Third Plenum of the PZPR Central Committee—especially in the matters of the quality of production and services, the correct operation of enterprises, and worker relations. The role of courts in the area of management efficiency, broadly understood, will consequently grow.

The participants in the conference pointed out that the efficiency of court procedure should be promoted by shortening the examination time, especially for civil cases, which at present often remain on the calendars for several months, by enhancing trial discipline, and by simplifying the procedure.

Andrzej Gdula, the head of the PZPR Central Committee's Social-Legal Department, and Minister of Justice Lech Domeracki participated in the meeting.

9909

CSO: 2600/485

OPPOSITION TO SYSTEM EXAMINED, QUALIFIED

Warsaw TRYBUNA LUDU in Polish 12 Feb 87 p 4

[Article by Jerzy Wisniewski: "To the Right, Straight Down..."]

[Text] From time to time, questions are asked in letters to the editor, as well as at meetings with our readers, about the directions in the evolution of the opposition to the system in Poland. Let us emphasize at once that this is not a question of people or groups of people who are expressing doubts or even opposition with respect to some phenomena occurring in our life.

In practice, in our political life there are many levels at which citizens' different and sometimes antagonistic judgments, opinions, and attitudes can be not only articulated, but even--after obtaining broader social support--promoted. The extensive system of consultations, the growing activation of the independent trade union movement, the strengthening of the role of the Sejm and the people's councils at all levels, and the development of various forms of self-management all mean that no one who really cares about the improvement and development of the Republic is or can be deprived of the opportunity to participate in decision-making on the issues that are the most fundamental, both for individual milieux and for the entire country.

This system not only does not apply self-limitations, but on the contrary, expands the institutional guarantees for the increasingly broader exercise of civil rights and freedoms. Among other things, this is demonstrated by the formation of the Consultative Council under the Council of State, the Civil Conventions, and the widely discussed draft for the formation of the institution of spokesmen for civil rights, etc.

Not Improvement But Destruction

The questions about the opposition to the system in Polish thus have to do with those people, active in more or less organized forms, whose goal is not the improvement of the State, but its destruction; not the consolidation of society, but its disruption; not the interests of working people, but activity contrary to those interests.

What can be said today about the role and place of the admittedly small and internally disorganized, but sometimes vociferous, opposition to the system?

It is an obvious fact that today, this opposition no longer has any broad social base at all that it could rely on or appeal to in its destructive activities. This is particularly evident among workers. This milieu, which the opposition was allegedly supposed to represent at one time, as it claimed in its absurd arrogance, has by and large turned away from the ex-leaders of the former Solidarity, KSS KOR [Social Self-Defense Committee KOR], KPN [Confederation for an Independent Poland], and the so-called Provisional Commission. It is significant that the enemy has not been able to exploit the conflicts occurring at individual plants, which after all arise for very different reasons, for its own political goals. These conflicts, sometimes sharp ones, have been resolved without its participation.

This is both a result of the fact that the political enemy has nothing sensible to offer the work forces except for demagoguery, and also of the fact that the dishonesty of its political intentions is becoming increasingly clearer to the work forces and more properly assessed by them. This means that today, without any fear of making a mistake, one can suggest the thesis that the existence of individual groups and circles with goals opposed to the system in Poland is possible primarily due to financial and material support from foreign centers hostile to Poland.

Dollar Support

The reports circulated from time to time, mainly through Radio Free Europe, about the "widow's portion" as the material basis for anti-socialist activity, can be calmly classified as fairy tales. Not even the authors of those reports believe this. It is very doubtful whether even one of the so-called underground publications would appear if it were not for the fact that presses for printing them, money to bribe people to service the presses and distribute the publications, etc., were entering Poland from abroad through various channels.

These forms of foreign assistance for activity against the system are interdicted by the state authorities, as contrary to the law.

The head of the so-called Russian section at Radio "Freedom," who left that job and made his way to the USSR, stated, for example, that most of the diversionary publications supposedly published on Soviet territory are actually printed in Munich, and that a special department had been created by Radio "Freedom" for this. It would be logical to think that Radio Free Europe would follow in the footsteps of its sister organization, especially since the former needs the underground publications mainly for concocting political facts. The representatives of the opposition to the system are simply not capable of providing such facts in the desired amount and form, either because of their limited intellectual resources, or as a result of their increasingly more effective isolation from society.

This does not mean that the financial support for individuals or groups involved in anti-State activity will cease in the foreseeable future. The money will keep flowing, although, as it appears, in carefully calculated amounts. At one time, for example, we learned that three activists from the adventuristic wing of the former Solidarity received an "award" in the amount

of \$50,000 from an American foundation created for that purpose. If we figure out the exchange rate of the dollar according to the PEWEX relationship, we may state that this is a cushy job for someone who is naturally flat broke. When we realize, however, that the annual maintenance of a NATO soldier ranges from 12 to 14 thousand dollars, we will note that the American sponsors are not coddling their charges too much anymore. Even the "contras" get more in cash.

Insidious Activity

As a result of this, the exponents of activity against the system in Poland are more and more diligently striving to increase the number of their sponsors. They are striving even harder because the remaining appearances that were supposed to justify their other than diversionary activity are disappearing in the eyes of even the part of Western public opinion that favored them at one time. Consequently, getting rid of the remnants of their fig leaves in a hurry, the "opposition members" are putting themselves at the disposal of forces desiring confrontation, hiring themselves out for increasingly shameless propaganda actions aimed against the national interests.

One should not overestimate the effectiveness of this insidious activity. What is necessary is to perceive it, and judge it properly.

9909

CSO: 2600/485

BRIEFS

POLISH-ARAB FRIENDSHIP REPORT--The Polish-Arab Friendship Society is one of the newest societies registered in the Lubelski Voivodship; it was formally recognized only in December 1986. The society is very active. Last Saturday the Polish-Libyan Circle was formed; it is the third, after the Polish-Syrian and Polish-Palestinian ones, operating as part of the Lubelski section of the Polish-Arab Friendship Society. Among those who participated in the celebration was Sulejman al Oribi, the ambassador of the Socialist People's Libyan Arab Jamahiriya. The cohost of the meeting was Edward Harasim, chairman of the ZSL voivodship committee. During the celebration a historical and geographical film about Palestine was shown, and Nabil Sulejman of the General Command of the PLO described his nation's fight for an independent state. [Text] [Lublin SZTANDAR LUDU in Polish 9 Mar 87 p 2] 13021

PUPILS CLAIM ARBITRARY GRADING--Jacek Biedowski of GLOS SZCZECINSKI (25 February) reports the discussion of the pupils of the First General Lyceum in Szczecin on conduct grades: "In the teachers' opinion a good pupil is one that sits quietly, listens, and answers when called on. If someone does not agree with the teacher and says why, he loses. One only need say something that upsets the teacher once during the year and your grade is lowered." "Teachers like it most when you have the same views as they do." "We fall into disfavor with most teachers because of our dress and appearance. Haircuts and clothing have a great deal of influence on conduct grades." "Dress and haircuts reflect our psyche. We spend much of our life in school. Why should we be artificial during this time, pretend we are different than we are?" "The director says to us that it is not what we have on that counts but what we have in our heads, that we should not make an impression with our haircuts but with what is in us. I think then they should not pay so much attention to appearance." "The teachers sometimes display worse manners than we do. We hear epithets like 'You idiots, fools!'" "Don't make waves! That is the attitude they expect from us. They even say so in so many words." [Text] [Warsaw ZYCIE WARSZAWY in Polish 6 Mar 87 p 3] 13021

SD HOSTS KOREAN DELEGATION--A party delegation from the Social Democratic Party of Korea lead by Kim The Sobem, the deputy chairman of the Social Democratic Party of Korea visited Poland at the invitation of the SD Central Committee. Tadeusz W. Mlynczak, chairman of the SD Central Committee and deputy chairman of the Council of State, received the delegation. The opinion was expressed that the current visit would further the fraternal contacts

between the SD and the Social Democratic Party of Korea and contribute to strengthening Polish-Korean cooperation. [Text] [Warsaw RZECZPOSPOLITA in Polish 9 Mar 87 p 2] 13021

CHINA SOCIAL-SCIENCE AGREEMENTS—A delegation of the Chinese Academy of Social Sciences led by Liu Guoguang, the vice president of the academy, is visiting Poland at the invitation of the Polish Academy of Sciences. After much discussion between Polish and Chinese specialists, on 7 March the two academies signed a short-term cooperative agreement in the social sciences. It envisions mutual visits by the scholars of both countries, their participation in lectures and scientific conferences, and cooperation in research in the fields listed. On 7 March, Tadeusz Porebski, member of the Politburo and secretary of the PZPR Central Committee, received the delegation of the Chinese Academy of Social Sciences. [Text] [Warsaw TRYBUNA LUDU in Polish 9 Mar 87 p 2] 13021

AKTIVS MEET ON FOREIGN POLICY—Poland's foreign policy was the subject of the meeting of Marian Orzechowski, member of the Politburo of the PZPR Central Committee and minister of foreign affairs, with the political, economic, and administrative aktiv of the Katowice region in Katowice on 9 March. He discussed the indicators of Poland's position in the international arena and also the results of Poland's diplomatic activities in recent years. He emphasized that Poland's international role and importance is shifting from the political to the economic sphere. During the meeting, in which Bogumil Ferensztajn, member of the Politburo and first secretary of the PZPR voivodship committee, participated, the minister also answered many questions. A similar meeting with the party and economic aktiv of the Katowice Steelworks was also held at the steelworks the same day. [Text] [Warsaw TRYBUNA LUDU in Polish 10 Mar 87 p 2] 13021

BLOC JOURNALISTS CONFERENCE—The chief editors and their deputies for economics representing the press agencies of the European socialist countries met in Warsaw. The subject of the meeting, which was hosted by the Polish Press Agency, was the problem of cooperation in the mass media on processes of modernization and economic reform. Particular attention was devoted to improving the forms and deepening the informational content of economics articles. The participants were received by Franciszek Rubiczek, first deputy chairman of the Planning Commission of the Council of Ministers, and Krzysztof Chinowski, deputy director of the Economics Section of the PZPR Central Committee, who acquainted the guests from the socialist countries with the premises and implementation of the economic reform in Poland. [Text] [Warsaw TRYBUNA LUDU in Polish 12 Mar 87 p 2] 13021

AMBASSADOR VISITS BIELORUSSIA—Moscow (PAP)—Wlodzimierz Natorf, the Polish ambassador to the USSR, visited Minsk and Grodno in the Bielorussian SSR. He conducted talks with Jefrien Sokolov, first secretary of the central committee of the Bielorussian Communist Party, Mikhail Kovalev, chairman of the Council of Ministers of the Bielorussian SSR, and Anatoliy Gurinovich, the republic's minister of foreign affairs. Ambassador Natorf also visited the Minsk Lenin Tractor Factory which cooperates with the Polish Ursus Plant, and toured several farms and Bielorussian cultural institutions. [Text] [Warsaw TRYBUNA LUDU in Polish 13 Mar 87 p 6] 13021

SZCZECIN YOUTH MEETING HELD--A year ago the academic university lecture series, which was organized by the rectors of the institutions with the help of the student youth organizations at the behest of the PZPR voivodship committee, began with a meeting with the minister for youth affairs. Representatives of the country's political life and scholars have participated in the meetings. On 13 March as part of this series, Mieczyslaw F. Rakowski, deputy marshall of the Sejm, spoke about the role of the Socio-Economic Council of the Sejm in defining the socio-economic strategy for the country's development. [Text] [Warsaw RZECZPOSPOLITA in Polish 14-15 Mar 87 p 2] 13021

SIERADZ PLANT HOSTS ORZECZOWSKI--Working conditions, wages, and the need to accelerate our economy as seen from the position of a worker at his job and an economic activist making a decision were the basic subjects of the talk Marian Wozniak, member of the Politburo and secretary of the PZPR Central Committee Secretary, held with the workers of the Waterproof Insulation Plant, the Zwoltex Cotton Industry Plant in Zdunska Wola, and with representatives of the 24 largest plants in Sieradz on 13 March. Implementation of the second stage of the reform, certification, and restructuring were the subject of the next meeting Marian Wozniak had with the economic and socio-political aktiv of the 24 largest enterprises in Sieradz. [Text] [Warsaw TRYBUNA LUDU in Polish 14-15 Mar 87 p 2] 13021

PRON HOSTS PATRIOTISM SEMINAR--On 13 March at the National Council of the Patriotic Movement for National Rebirth, there was a seminar on the "State of Patriotic and Defense Awareness and Threats to It," in which a large group of political, civic, educational, military, and youth activists and other interested individuals from all over Poland participated. Colonel Doc Wladyslaw Iwaniec initiated the discussion, which concentrated on the conditions of contemporary patriotism. Among other things the speakers emphasized that military service remains the main form of citizens' defense responsibilities. The recently formed Group for Patriotic and Defense Education of the National Council of the Patriotic Movement for National Rebirth, chaired by Zbigniew Safjan, organized the seminar. [Text] [Warsaw TRYBUNA LUDU in Polish 14-15 Mar 87 p 2] 13021

SUGAR PROCESSING UNIONISTS MEET--Two related topics dominated the meeting of the Second Meeting of the Federation of the Polish Sugar Industry Workers' Trade Unions which began on 17 March 1987. The first one is the shortage of sufficient resources for modernizing and developing the industry, and the second, the poor working conditions and wages which, in the unionists' opinion, are causing increasing losses of the best specialists. About 120 delegates, representing 22,000 members from nearly 100 plant union organizations operating in the sugar industry, participated in the deliberations. The meeting will elect new officers for the organization. [Text] [Warsaw RZECZPOSPOLITA in Polish 18 Mar 87 p 2] 13021

CSO: 2600/525

BRIEFS

POLISH CEMA REPRESENTATIVE ON INTEGRATION--Stanislaw Wylupek, the deputy permanent Polish representative to CEMA, told the Polish Press Agency's Moscow correspondent, Slawomir Popowski: "Old methods are insufficient or simply obsolete". Answering the question of what must be done to see that CEMA cooperation be based more on economic mechanisms and more clearly oriented toward multilateral cooperation, S. Wylupek said that a consistent progress in this direction requires the modernization of the current CEMA economic mechanism and this includes both the introduction of a multilateral balancing of trade as well as making the currencies of the CEMA nations exchangeable for foreign currencies. S. Wylupek said that pricing problems should also be regulated. For example, it would be feasible to assume that the basis for setting the prices on Soviet commercial goods should be current world prices converted to the international CEMA currency according to the agreed-upon value of that currency in relation to exchangeable currencies. All of this is a complicated and long-term process that will be carried out in stages. Poland's CEMA representative also said that in our cooperation, we do not always succeed in using even the existing economic instruments such as the mechanism of customs. We could consider the possibility of creating a CEMA-nations customs union and create another joint bank that might be called the international enterprises bank that could help finance direct cooperation between firms. It would also be appropriate to create an international CEMA arbitration that could guarantee more efficient consideration of economic disputes. [Excerpts] [Rzeszow NOWINY in Polish 28 Feb - 1 Mar 87 p 7] 12261

POLISH COMPUTERS TO CSSR--Data-processing technology from the ELWRO plant in Wroclaw has achieved a new stage of quality. The first series of Riad R-34 system computers is being manufactured and they are supposed to replace the R-32 series. The new devices are much more sophisticated and consist of nearly 20,000 systems (while the former series had 10 times fewer elements). They are much more reliable, have a well-developed system of control, error correction and diagnostics that make it possible to quickly locate the source of an error in the central processing unit and therefore considerably reduce repair time. In comparison with previous models, the R-34 can process twice as much information. The new Elwro computers will be widely used in industry, science and technology. They will make it possible to organize a network of computers and therefore create various system configurations and connect the R-34 to Elwro-800 microcomputers and other elements regardless of the distance between them. They will therefore allow the creation of national and regional networks and systems for gathering and processing data. This will create an opportunity for introducing data-processing technology to banks, post offices, railways, transportation, materials management, tourism and health care. The first series of R-34 computers will be sold to Czechoslovakia and depending on the demand for them, they will soon be installed in computing centers in Poland. [Text] [Warsaw EKSPRESS WIECZORNY in Polish 5 Mar 87 p 3] 12261

CERTAIN ECONOMIC PRACTICES CRITICIZED

Sofia POGLED in Bulgarian 9 Mar 87 p 4

[Article by Lazar Rosnev: "How We Are Changing: Truth and Trust"]

[Text] It is naive to try to explain a strategy with four sets of statistics and two mathematical estimate, but figures can show the most important features in the simplest possible way. The value of the social product created in Bulgaria in 1960 was 10.31 billion leva and that of the national income 4.488 billion leva. In 1985 these figures were respectively 74.385 billion and 25.037 billion leva.

If we take away the newly created value, we see that previously the material costs for generating 1 lev of national income were 1.19 leva, and that it now is 1.90 leva. At the same time, the trend in development of the country is in the opposite direction, in that costs are constantly decreasing and are several times smaller. It may be objected that the estimate is not based on comparable prices and makes no allowance for the higher cost of raw materials, energy, machinery, etc. Very well, we will not argue; the estimate is not entirely accurate.

But the truth remains: our economy consumes a great amount of resources, or, as the saying goes, it is still very resource-intensive. And neither the state nor the people derives any benefit from growth of costly production. We will develop properly, we will be richer, and we will live better only if the economic is transformed into a resource-conserving one. This is the gigantic task of the time, the import and essence of the strategy for qualitatively new growth. The work is so complex that it is rightly termed restructuring, a turning point, a revolution, etc. Whatever strong word we may find for it will suit it. But the main thing is, how are we to do it?

The time has come to ask such a question, but not just to ask, because what is to be done is clearly expressed and understood: technological rearmament, modernization of production, a new economic mechanism, self-management, etc. The problem is what to change and what to accomplish, because time is moving mercilessly onward.

Let us take a look at the 6 years of progress of the new economic mechanism. We see that the pattern is holding, but there have been more than a few diversions. The new mechanism must advance the interest of the workers in efficient use of material and labor resources, by creating a single unified

entity through the new mode of planning, organization of labor, payment, etc., that is, by creating a new economic association of the people and means of production. The question is, are the incentives operating directly and perceptibly, and how is this new union being created?

The decree of the Council of Ministers points out that acute problems arose during the first year of the current 5-year plan in connection with efficient use of material resources, the shift index of machinery and equipment, activation of new capacities, the volume of construction not completed, product quality, conclusion of contracts between producers and users, and the relationship of rates of growth of the social productivity of labor and average wages. When we examine the procedure applied in defending plans, we find that the enterprises and economic associations are still waging a life and death struggle for more resources.

The question here obviously reduces essentially to the action of the incentives and constraints of the mechanism impelling transformation from a resource-intensive to a resource-conserving economy.

Let us go back to the 6-year course of the new economic mechanism. There were sudden changes, a mountain of limits, restricting factors, and ceilings, things which blocked the action of the new methods of management and administration. There is a very important lesson for the present, now that the new Regulation on Economic Activity has gone into effect. In effect, it needs time to undergo practical testing. But there has already been enough time for speculation and theorizing.

The deviations show that the clashes, obstacles, and areas of conflict cannot be bypassed. Rights and obligations must not seek the pattern of centralism because it is more convenient--neither should authority cause damage nor should responsibility prod like a goad. What is new is difficult not just because it is unfamiliar. It does not simply fill a void but must replace something that has ossified over decades. It must push this aside and not grow into it. This is difficult for cadres who have learned either to direct and nothing else or to organize and execute and nothing else. We must enter into dialog and negotiation as a basic form of economic mutual relations. Who can boast of having sat down to engage in dialog on an equal footing and that he has done everything to carry out his partner's work?

The Achilles heel is implementation of the resolution, the regulation, and the norm. It is as if the effort made is not to do work but to gather arguments from a variety of sources to prepare a report. The statistical report on the social and economic development of Bulgaria last year makes it very clear that such and such good results were achieved by accomplishing qualitatively new growth. Whoever understands what qualitatively new growth means will be perplexed in reading over this optimistic assertion. Such an assessment could create the erroneous impression that we can accomplish qualitatively new growth in a slipshod manner. But was the same not true of the brigade form of organization of labor, when it was reported that 84 percent of the labor force were working on this basis, even though it was difficult to find a brigade with an alternative plan, with an operative economic estimate, with the mutual relationships specified by agreement, or with the economic results which were rightly expected of this progressive form of organization of labor.

And there any number of such examples. Whether true or not, they have at least been reported. Who needs this? And isn't this dangerous now during a period of technological rearmament and self-management? Great ideas can be killed not just in disputes and denials but by erosion, elimination of individual responsibilities, distortion, and drowning in a sea of reports.

This is the way belief in innovation is shaken. If on the one hand we speak of a turning point but on the other see that everything has remained the same and only the words are different, what can we have confidence in? People have come to believe in self-management. This became clear in the elections of the collective administrative authorities and the economic managers. But if the economic mechanism of self-management fails to start operating, if the collective authorities become a screen for bureaucratic administration, there can be no change.

There can be no turning point in the economy without truth and trust, because the workers are reached through them. Many things are needed for self-management to become a reality. One of these things, about which hardly anything is said, is trust between the higher authorities and the worker collectives. This is a psychological problem, but one with significant economic consequences. The instability in regulation of economic activities, the frequent structural changes, the disruption of the mutual economic relationships of owner and manager, and the slow assumption of a new role by enterprises have already accumulated considerable distrust. It is manifested not so much in disputes and disagreements as in specific reactions: those at the bottom wait for orders, while those at the top resort to bureaucratic administrative measures.

The contradiction cannot be eliminated by appeals but by revealing the true situation and by presenting realistic arguments for strict, universal adherence to principles, rules, and norms.

During the first stage of self-management a technocratic concept was manifested to the effect that the regulatory model which has been developed will start operating automatically and spontaneously. The enterprise and the collective have been given rights and obligations have been defined, so that there is nothing left for them to do but exercise these rights and obligations. Constraints and incentives will put everything in its proper place.

This is one extreme. The other is that everything in the collective must be arranged and settled from outside, that others are to decide which organizations, bodies, commissions, clubs, offices, and so forth are to be in it in order for it to be self-managed (currently there can be around 20 such bodies and organizations in a collective). This "concern" conceals the effort to build and preserve all possible centralizing structures for various public organizations and movements.

This technocratic domination of self-management and the organization of such domination create the same danger, that self-management will be bureaucratized in its very inception. Bureaucratic self-management is incongruous but possible. It is better for us to exaggerate this danger now, to protect ourselves against it as against fire, than to underestimate it and allow the bureaucracy to paralyze self-management. If we remember the attacks on the

bureaucracy in the past, we see how resilient it has been in defending itself.

The danger that the new will be done in the old way is real, because the stereotypes of thought and action and the inertia of habits and skills are strong. Total assault on them is hardly the best way to success. Any return, stopping, or misrepresentation of the actual changes undermine the already difficult, complicated, and contradictory transition to qualitatively new growth in the economy. Lenin's formula "better little, but better" is applicable to this process. A little, but done properly. Precisely what has been actually done ensures movement forward.

6115

CS0: 2200/74

DRESSER INDUSTRIES EYE INCREASED COOPERATION

Rzeszow NOWINY in Polish 4 Mar 87 p 4

[Interview with Bogdan Kryca, Warsaw representative of the American firm Dresser Industries in Warsaw, by A. Sowa: "A Deeper Breath"]

[Text] [Question]: Your business card says: "Manager, Warsaw Office," which means...

[Answer]: ...that in Poland I represent Dresser Industries, a world-famous producer of construction machines, and that, among other things, our company specializes in other branches too. For example, we are a well-known producer of equipment for the petroleum industry.

[Question]: Cooperation is going on between Stalowa Wola and Chicago through your office.

[Answer]: Our scope is broad. There are various ongoing technical matters, so that I have frequent contact with people at Huta Stalowa Wola, and I am full of respect for them.

[Question]: Do you have Polish citizenship?

[Answer]: I am a Pole, but owing to my long stay in the United States and my work in an American firm, my views and thinking are American.

[Question]: What does that mean?

[Answer]: Business is business.

[Question]: Do you think that is why the cooperation between DI and HSW was never severed, despite the fact that even air service between the countries was interrupted, because DI and HSW were linked by mutual interests, and it was just good business for both of them?

[Answer]: Undoubtedly. We went through a time when you had to go to the United States by a roundabout route, by way of Canada. The situation is changing. Things are getting better.

[Question]: Do you have in mind the lifting of American economic restrictions?

[Answer]: Not just that. After a period of poor market conditions with regard to capital equipment, the demand for construction machines on world market is growing. We are buying as many of them as HSW can sell us.

[Question]: You could buy still more then?

[Answer]: We would like to place further orders for machines totalling nearly 7 million dollars' worth, but can the factory manage to produce them during the next few months?

[Question]: A lot, more than 20 percent, of that 7 million would have been swallowed up by the old protectionist tariff set by the U.S. administration.

[Answer]: The additional orders actually come from another market, a dollar market, of course, but not American. On the other hand, actually, on the American market, Dresser Industries now is becoming very competitive, since the restoration of "most favored nation status" for Polish goods.

[Question]: You are suggesting a decline in price, but after all there is no great art in that. It is easiest to heighten competition by lowering the price.

[Answer]: So it happens that our competitors sell their goods even below production cost.

[Question]: The Japanese seem to be masters at this, and it is only when they recover their profit through expensive spare parts that the user of the product realizes that he has been the loser.

[Answer]: The Dresser Industries concern has a very well-organized worldwide marketing and service network, and Stalowa Wola benefits from it too. This is how we win in competition with the Japanese too. Even during the period when the market situation for construction machines was at its low-water mark, when companies were going bankrupt, we were still holding our own.

[Question]: But Harvester, an American partner of Stalowa Wola, did declare bankruptcy. Stetter, another HSW partner from West Germany, sold out before that.

[Answer]: The laws of the market are hard.

[Question]: We have departed from the major line of the interview. Besides your network, Dresser Industries can also be proud, for example, of the Stalowa Wola TD-40 tractor, which is advertized on that market as "the best." So Stalowa Wola too is making a contribution to the position that the firm you represent holds on the world construction machine market.

[Answer]: Of course. But now it has gotten to the point where together we are taking a deeper breath before going out into even broader waters.

[Question]: But the production capacity of Huta Stalowa Wola is what it is and no greater, and it is not going to be able suddenly to increase its deliveries to the Dresser network tomorrow. Because of the competition, could your firm not expand its assistance to HSW?

[Answer]: We have developmental concepts. This does not mean that there has been no understanding of the matter up until now. The whole realm of cooperation is going very well. Dresser, for example, is arranging for free imports. It simply buys the components and gives them to HSW to use, and then subtracts the free-market cost when the goods are sold.

[Question]: Those are economic management questions, not technical ones.

[Answer]: The development of caterpillar tractors is being worked on intensively by American engineering designers, who are designing whole new models of machines, in close cooperation with engineers in Stalowa Wola. The letter G is already appearing on tractors in Stalowa Wola in place of C and E. The two sides are consulting each other on the latest design solutions. Besides that we are looking for a welding robot to buy to meet Stalowa Wola's needs. It would be the firm's first. We are also thinking about creating a company which new Polish regulations will permit in a few months. We are going to want to create a Dresser office right in Stalowa Wola, and we would employ local specialists there. I have already mentioned the desire to breath in cooperation more deeply, and this is what it is all about.

10790

CSO: 2600/540

TRADE, COOPERATION WITH USSR

Poles, Maltese Build Ships

Katowice TRYBUNA ROBOTNICZA in Polish 17 Mar 87 pp 1, 5

[Article by Zenon Gralak: "Together to Third Markets: Polish Ships From Maltese Shipyards for the Soviet Union--Information From TR's Coastal Correspondent"]

[Text] It all began in 1985 with the signing of a contract between Centromor and Sudoimport to supply the Soviet marine ministry with 14 ships to carry wood, containers, and bulk cargo. The Lenin Shipyards in Gdansk undertook to build them, and the first hull was launched last October. The ship will be turned over for use in the first half of this year. The whole thing is part of a Polish Soviet cooperation agreement being carried out in the ship-building industry. It provides for mutual deliveries of ships, technical equipment, and outfitting between 1986 and 1990.

The plan for the ship designed by the group directed by Engineer Bogdan Sroka had to suit the tastes of the Soviet partners, inasmuch as, alongside the 14 above-mentioned vessels at the Polish shipyards, the Soviets had decided to look for someone to build further ships of that type in other shipyards, because our shipyards are already crowded with orders and could not handle the large Soviet order for another dozen and some timber carriers. Sudoimport's choice fell to two Maltese shipyards, Malta Drydocks and Malta Shipbuilding Company Ltd. After all, the latter had been designed by Gdansk specialists from Promor.

Then it turned out what a good several years of cooperation between the Polish ship-building industry and its Soviet partners was worth. The cooperation bore fruit with mutual benefits for all undertakings on so-called third markets. The Soviet side recommended the Gdansk shipyards to the Maltese as a supplier of documentation. After the initial talks, the director of the Maltese shipyards, G. Bricat, came to Gdansk to sign the concrete agreements. Alongside documentation for the timber carriers, a great deal of equipment was sold: main engines, steam boilers, and compressed air containers. Elmor, Klimor, Zamech, and several other cooperating enterprises added their products. Overall the value of the contract exceeded 20 million dollars, and this is still not the final figure, because additional agreements are still being negotiated in connection with the construction being done by the Maltese.

Construction of the first hulls using the current documentation for somebody who wants to do well is a issue that is both important and difficult. Therefore it was agreed that, alongside the oversight originally planned, a group of Polish engineers and workers would help the Maltese shipyards. A group of 13 people from the Polish shipyards went to Malta, because as time passed, it turned out that the construction of timber carriers really does involve more than welding a few sheets of metal together. During the Malta visit from the directors of the Gdansk shipyards, a proposal was made that they extend their assistance with another group of specialists. Therefore a new contract was signed, and on the basis of this contract 19 more employees from the shipyard went to Malta.

It may be that the past cooperation will be further extended, because the USSR intends to increase its orders with the Maltese shipyards.

Agricultural Aircraft Agreement

Rzeszow NOWINY in Polish 20 Mar 87 pp 1, 2

[Article: "New Type of Agricultural Airplane in Polish-Soviet Cooperation"]

[Excerpts] (From our own sources) The Soviet economics delegation headed by Deputy Premier Iurii Masliukov that arrived in our country was welcomed yesterday (19 March) at the Mieliec Vehicle Plant. Janusz Maciejewicz, minister of metallurgy and engineering industry, accompanied the members of the delegation, who met with the plant's management activist group and representatives of the voivodship's political and administrative leadership, including Henryk Ficek, governor of Rzeszow Voivodship, and Stanislaw Czech, secretary of the PZPR voivodship committee.

Yesterday saw the beginning of a new stage of cooperation. In the presence of deputy premier Iurii Masliukov and Minister J. Maciejewicz, director Tadeusz Ryczaj and Piotr Balabuiev, general designer at the Kiev OGC im. O. Antonova, signed a contract on the creation of a joint Polish-Soviet group to conduct project design and research on a new high-capacity agricultural airplane and to develop new versions of the An-28 airplane.

According to the agreement, permanent working groups of Polish and Soviet designers and specialists in various branches of aviation will begin work in Mielec. The contract will run to the year 1995, with the possibility of extension. There is to be a prototype of a new airplane by 1990.

The members of the Soviet economic delegation visited certain production departments, including the aviation plant. They also saw aircraft displays.

Automotive Industry Cooperation

Krakow DZIENNIK POLSKI in Polish 11 Mar 87 pp 1, 2

[Article: "Scientific Research Institute Representatives Meet in Krakow: Specialists From Poland and the USSR Join in Solving Interesting Technical and Design Problems--First Results of Cooperation in the Automotive Industry"]

[Text] (From our own sources) Yesterday a four-day meeting of the Council of Directors of Scientific Research Institutes from Poland and the USSR began yesterday. The council's activity includes expansion of the cooperation of research bureaus, the improvement of research equipment, and the preparation of interesting, new technical and construction designs.

The council has only been in operation a year. In that time it has very greatly increased the number of scientific research units cooperating with it. The number has increased from ten to 90. The council's meeting in Krakow was mainly aimed at eliminating the barriers existing in the realm of both the regulations and the mental set of people responsible for the shape of cooperation between institutes in the two countries.

As was stated during the first day of the meeting, this cooperation will also consist of the sharing of mutual financial benefits and risks and of operations bypassing foreign trade centers and ministries. At the moment, several Krakow institutes are cooperating with Soviet scientific research institutes. Examples are the Machine Tool Institute (Instytut Obrobki Skrawaniem), the Zootechnical Institute, and the Petroleum Technology Institute. The results of joint activity between the PIMOT Industrial Automotive Institute and the Automotive Engine Institute in Moscow are among the most spectacular. For example, a contract for a million rubles was recently signed for the Polish side to deliver and design five research facilities. Because of this cooperation Fiat 125 and Poloneza automobiles could be tested for endurance on the proving ground at a Moscow institute (the only one in Europe). The high-compression engine from Andrychow was tested in Moscow and also received high marks. One of the main directions of activity for the joint Polish and Soviet automotive institute at the present time is the design of a 3.5 ton truck.

Garment Industry Border Trade

Rzeszow NOWINY in Polish 14-15 Mar 87 pp 1, 2

[Article: "Design for Export From Przeworsko"]

[Text] (From our own sources) The Vistula Clothing Plants in Przeworsko are increasing their very profitable exports of men's suits to the Soviet Union this year. This year's offer will exceed 4.2 million rubles (over 200,000 more than in 1986), but efforts are being made to the plant to further enlarge this figure. To this end cooperation has been begun with the Spolem and Polcop foreign trade offices, which handle transactions on the basis of an exchange of goods, including that with border areas, for example, between Przemysl Voivodships and the Lvov district, to obtain from the USSR many items which we lack in Poland.

The following example shows the benefits therefrom: When Vistula in Przeworsko had great difficulties over the getting linings they needed, in the face of

the shortage on our market, it worked out a trade with the USSR for suits in exchange for 250,000 meters of the material, which met all the requirements in terms of quality and color. Polcop acted as the intermediary. Because of the trade, no slow downs were noted in the production of suits.

Soviet customers are also interested in increasing deliveries of suits sewn in Przeworsko. They simply value the fact that the quality, cut, and design of the suits are continually improving. Vistula is achieving this, in part, through cooperation with its partner, the Majak plant, in Lvov. The cooperation consists not only on utilizing good examples in the area of technology and management, but also on exchanging groups of tailors, working abroad directly in the plants.

10790

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SOVIET MINISTERS VISIT KRAKOW FIRMS

Krakow DZIENNIK POLSKI in Polish 13 Feb 87 p 1

[Article by [teb]: "Delegation From the USSR Council of Ministers Visits Krakow -- To Broaden Cooperation With New and Better Forms -- Soviet Guests Visited Miraculum, KFAP and Kabel"]

[Text] (Own service). When USSR Vice-Minister Aleksey K. Antonov was asked to share his reflections about his all-day visit to Krakow and especially to three of her factories, he said: "A year or two ago we were thinking about creating closer economic cooperation with Poland but I can now say that this cooperation has already given some real results, especially in the area of science, technology and production. Everything now indicates that we will be able to use the industrial potential of our two countries better than ever before. And we will be able to use that potential in the manner prescribed in the guidelines set by the 28th CPSU Congress and the 10th PZPR Congress".

We also asked Vice-Premier Wladyslaw Gwiazda if he too would like to evaluate the Krakow meeting.

The vice-premier answered A.K. Antonov's statements by adding: "The intensive growth of economic cooperation between the USSR and Poland led among other things to the fact that 600 factories in both countries are already working under cooperative agreements. That is quite a lot, isn't it? Now that so much is being produced, we now want better quality too. We also want to concentrate more on science and production problems".

How did yesterday's visit of the Soviet delegation turn out? The protocol noted that a wreath of flowers was laid at the I. Koniev monument. A.K. Antonov and his companions (W.I. Brovikov, extraordinary and plenipotentiary USSR ambassador, I.A. Bepalov, minister of chemical industries, A.I. Kachanov, first deputy chairman of the State Committee for Foreign Cooperation, V.V. Sitnin, director of the Soviet Council of Ministers Department of Cooperation with Socialist States, G.K. Stupnev, deputy chairman of the Soviet section of the International Commission and A.G. Krasnoshchok, director of the Chemistry Association) visited Auschwitz where they saw blocks 11 and 14 and the crematorium where the memory of years of martyrdom of millions of people including Soviet citizens was reawakened.

The Krakow MERA-KFAP Measurement Apparatus Factory was the first establishment that our Soviet guests were taken to by Chemical Industry Minister Edward Grzywa, Vice-Minister of Metallurgy and Machine Industries Krzysztof Badzmiowski and the Krakow hosts including Secretary of the Krakow PZPR Committee Jozef Szczurowski and Vice-Mayor of Krakow Marian Kulig. The director of MERA, Adam Peszko, informed the group about this firm which produces control and measurement apparatus, computer system peripherals, industrial automation devices and microcomputer systems and showed them the facilities. With regard to a subject that should be of special interest to the Soviet guests, he said: "We would like to enter the Soviet market with a very specific list of offerings". The meeting with the plant's managers was a confirmation of earlier talks. Vice-Premier A.K. Antonov asked: "What complaints do you have about Soviet colleagues with whom you have had to work?". This question aroused a brief but necessary discussion. The notes taken then by the deputy chairman of the Council of Ministers are supposed to go to the respective departments and then to specific meetings of the cooperating parties. According to the Soviet vice-premier: "Premiers cannot talk about cooperation between individual factories as this is something that must be arranged by the directors".

It has been known for some time now that the Pollena-Miraculum Cosmetics factory in Krakow is supposed to start working in close cooperation with the USSR and that is why the visit by the Soviet delegation was so important there. The leading subjects with Director Stefan Jucho and the management at Miraculum were production, its size and quality and the investments needed to get the factory working at "full steam". Everyone was interested in expanding the factory so that it could turn out an average of 12 billion zlotys worth of products each year instead of the present three billion and also export more. Nursing cosmetics for children and adults as well as several perfumes (such as "Pani Walewska") can be successfully sold in both the socialist and capitalist countries.

At the Krakow Cable and Cable Machinery Factory, the director, Marian Kieczkowski, proposed a visit to the factory training center and the Factory Tradition Hall. There, in the presence of First Secretary of the Krakow PZPR Committee, the Soviet guests signed the Memorial Book. The final touch to the visit was a meeting with the first secretaries of the factory PZPR committees and the directors of 6 Krakow enterprises cooperating with Soviet enterprises. These plants were the Lenin Steel Works, the Institute of Metal-Cutting, the Alvernia Chemical Works, the Krakow Fur Plant, the Petroleum Technology Institute and Kabel and they all had their own experiences to share. The visits were unusual because both Vice-Premier Gwiazda and Vice-Premier Antonov expected to hear about problems that must be resolved to improve the cooperation between both countries. In conclusion, A.K. Antonov said: "I wish to take to Moscow information about what is still obstructing our contacts. Last year, I met with Wojciech Jaruzelski and we devoted much attention to the problem of technical progress. Therefore, I would again like to stress that we should make much better use of our shared economic potential to improve the standard of living in both of our countries".

The Soviet delegation left Krakow that evening.

PROGRESS IN R&D COOPERATION WITH USSR ASSESSED

Warsaw EKSPRESS WIECZORNY in Polish 12 Feb 87 p 3

[Interview with Jerzy Zaskurski of the Industrial Institute of Construction Machinery and chairman of the Polish section of the Council of Directors of the of the Permanent Polish-Soviet Subcommission on Scientific and Technical Cooperation by Marek Hauszyl: "Polish-USSR Research and Development Cooperation -- What the Brain Partnership Will Devise -- The Capital Partnership Is Finalized"]

[Text] Soon, a year will have passed since the establishment of the Council of Directors of Polish and USSR research and development centers which is a public advisory organ of the of the Permanent Polish-Soviet Subcommission on Scientific and Technical Cooperation

The council evaluates joint contacts between research centers, disseminates positive experiences from the science-design-production cycle and also analyzes and tries to eliminate barriers to the growth of direct cooperation.

EKSPRESS asked Jerzy Zaskurski of the Industrial Institute of Construction Machinery and chairman of the Polish section of the Council of Directors what he could tell about the effects of joint research enterprises between both countries' scientific research centers.

Work is being continued on joint technical reports for the design of a 3.5-ton truck, a digital color television, brakes, electromagnetic clutches for machine tools and a self-propelled crane with a lift capacity of 25-200 tons. Of course, it is still too early to say anything about specific results in the form of series production but the time for that is coming. There is not the least doubt that our division of design and technological tasks will substantially shorten the phase of design and starting production and make it possible to make fuller use of the research potential of these centers. As chairman of the Council of Directors, I can say that every month, Polish and Soviet scientists are becoming more interested in cooperation. In the 11 months that the council has existed, it has signed other agreements for joint science and production work and therefore, 103 Polish and Soviet research institutes and firms are already carrying out joint projects.

[Question] Is that also one of the merits of the Council of Directors?

[Answer] I would not credit us with that much of a role because the climate for cooperation was created by the science and technical progress committees of the Council of Ministers in both countries. I can however say that the Council's activities have led to better contacts and that at this time, there are no longer any barriers to improving the exchange of scientists and designers. We are convinced that many problems can be resolved by telephone or telex.

[Question] Therefore, there are no problems...

[Answer]... And everything is turning out quite well? Unfortunately, there are problems in exchanging documents, research materials and prototypes. There continues to be so few of proper regulations on the matter that material exchanges between USSR and Polish research centers are handled with no regard to foreign currency principles. The Council of Directors recently consulted on the draft of a decree by the foreign trade ministries, finance ministries as well as the chairman of the Polish National Bank which is supposed to set the guidelines for noncommercial exchange since similar decrees have already been issued by the Soviets. We are waiting for when ours are introduced because the lack of appropriate regulations has also become an obstruction to increased cooperation.

[Question] And that is all?

[Answer] No because many designers and builders also have certain prejudices against project affairs. The ambition of every group is to independently resolve technical and technological problems and I would say that there is no tradition for cooperation with similar design establishments in Poland, not to mention that there is also not enough of the appropriate international contacts. However, I suspect that the benefits of an exchange of scientific ideas and experience and above all the possibility of gaining access to the newest equipment and research apparatus that the Soviet institutions have and which are also unavailable to Poland will help us overcome certain purely psychological barriers. And still one more point: giving the cooperation an economic basis will have immeasurable benefits not only for design organizations and collectives but also for specific individuals.

[Question] Research work is one thing but the introduction of production of joint developments and technological ideas is another matter entirely.

[Answer] It is true that the creation of some prototype does not in itself constitute a success. The plans for joint enterprises clearly state the need to quickly start up production of products designed by Poland and the USSR. I think that the next stage of cooperation will be the establishment of capital ventures whose task will be to create joint production enterprises making finished products or assemblies to meet the needs of the Polish and Soviet markets as well as those of export trade. It is also the task of the Council of Directors to see that research efforts quickly pay off in the form of series production of new items.

P.S. We have learned from Janusz Domanski, secretary of the Council of Directors of Polish and Soviet research centers, that in the last few weeks, there has been signed a series of agreements for scientific cooperation between institutions of Poland and the USSR. The Higher Marine School in Gdynia and the Marine School imeni Admiral Makarov in Leningrad are supposed to jointly develop guidelines for optimal control of ships operating in difficult navigational regions and to start work on optimizing the operation of ship's engines. The Moscow Institute of Eye Disease Research and the Silesian Oculist Clinic of the Silesian Medical Academy in Katowice will carry out research on surgical treatment of glaucoma. The All-Union Food Concentrate Research Institute and the Moscow Food Works will work together with the Opole Food Concentrate Plant to develop new recipes for powdered foods for children.

12261

CSO: 2600/504

ICL COMPUTERS ON POLISH MARKET PROFILED

Lodz GLOS ROBOTNICZY in Polish 3 Mar 87 p 5

[Article by Jerzy Machejek : "A Computer Potentate"]

[Text] For over 20 years a trading office of the largest British computer company, ICL [International Computers Limited] has been active in Poland. The company has divisions in over 80 countries and employs 23,500 persons while its annual turnover exceeds the sum of a billion English pounds.

ICL International has been very successful, and so has ICL-Poland in the last 3 to 4 years. During that time trade increased and so did the number of signed contracts. ICL strengthened its already high position among the computer powerhouses and in its chosen directions - complex systems suited to the needs of industry, public administration, banking, trade, and health services - where it became a world leader. In Poland, among the users of ICL networks are: the Lenin Steelworks, Cegielski Metal Manufacturing, GUS [Central Office of Statistics], CIECH [Import-Export Center for Chemicals and Chemical Equipment], PKO [Polish Security Bank], SA [Joint Stock Company], and PEWEX [Internal Export Enterprise]. One need not wonder about ICL's popularity. The firm uses the latest world class technology in the field of manufacturing as well as in programming. Its computers are compatible with Polish made ODRA equipment and with the equipment of other world class producers: IBM, UNIVAC, and Siemens.

ICL maintains an inventory of spare subassemblies in our country, and assures its warranty and post warranty service. It offers the services of a group of specialists. In attempting to gain a wide field of customers it sells its equipment and software not only for hard currency but also by compensatory trading. In its service to customers ICL will shortly introduce a magnetic card system at some divisions of the PKO SA bank which will improve the speed and quality of service.

At this time there are over 400 installations of ICL or related computers in Poland. Long term contracts, in addition to those named, have been signed with units of the shipbuilding industry in Ustka, Gdansk and Szczecin; with the centers for international trade ("PolSERVICE" [engineering services], "Skorimpex" [leather trading], "Textilimpex" [textile trading], "Confexim",

"Polmot"), and with the transport and communication enterprises (PMS [State Motor Transport], PKP [Polish State Railroads]).

The British firm will most likely gain in popularity. Its managers are of the opinion that two maxims will contribute to success. First is quality. ICL uses the slogan "Do it right the first time" and this results not only in the quality of equipment but of all activities, be it sales, customer relations, service, software. The second principle is cooperation in the market rather than selling to the market. This refers to not only offering the basic computer units and the peripheral equipment, but entire computer systems, selected to meet the real needs of the buyer.

In recent years ICL, just like many other computer firms, has been dealing in open architecture systems. That is equipment which allows entire computer networks to be built up from modules about the size of a filing cabinet. The British firm has outpaced other computer powers in this field, including IBM which has been much admired here.

ICL's center for Consultation and Service in the Area of Large Systems will assure the availability of highly specialized services in all fields of computer application and programming. Since professional and fast service is necessary ICL is ready to use the newest means of delivering the service - via telephone link. Thanks to a communication link from the supplier to the client it is possible to solve many problems automatically or through the method of remote access. The SAM (Service And Maintenance) system is automatically a part of all recently sold computers. SAM simply connects with the service center, in case of need, and conveys the client's request. This system at present is in operation in the United Kingdom and Europe, and shortly will expand to encompass the globe.

As an example of ICL's computer prowess we give the two most popular system configurations. First is the "Quatro" series of computers. This is an ICL PC microcomputer family which includes several models that differ from each other through the size of operational and external memory. These computers are designed for fast and inexpensive data reduction by single or multiple users. These include simple single station systems, and multi-user systems with the option of local networking. These are most useful in manipulating data bases (for example inventory management) and in cooperation with several persons. From the available technical information one should mention that the central processing unit uses the Intel 8086 microprocessor (just like the IBM PC AT), the Intel 8087 arithmetic co-processor, 1 to 2 floppy disk drives, one hard disk unit, and of course a video monitor (with a connector for a video camera which allows the execution of color slides), a printer, a graphic pen plotter, a streaming tape which allows the recording of data from the hard disk.

ICL's second computer system which we would like to present is "Clan": a multi-user system which can service from 1 to 16 video terminals. This is for use in an ordinary office environment and is easy to operate even for persons not professionally connected with computer science. Thanks to these qualities "Clan" automates office work, accounting systems, aids various service delivery systems among them: legal, insurance, planning. The central

processing unit is equipped with the Motorola M68000 microprocessor (just like in the Atari ST series) or the Motorola M68010 which permit the use of a 16 megabyte virtual memory and an 8 megabyte operating memory, the attachment of 4 Winchester disk units with a maximum 115 megabyte capacity each, or a 9 track streaming tape unit with an 80 kilobyte capacity. "Clan" functions using the "Unix" system and accepts programming languages: Fortran, Basic, Pascal, Cobol. In its application programming, among other things, allowance has been made for S-Telex, an easy to use system of sending and receiving telex messages.

Among items worthy of mention is the system offered by ICL at the "Baltexpo" trade show. This was LOCON - the world's most modern computerized system for controlling loading on ocean vessels carrying freight. It manages the loading and unloading of the ship, permits instantaneous rearrangement of the cargo, especially when the cargo is not uniformly distributed which could lead to the loss of the vessel's stability.

The multitude of ICL's offerings surely enhances our computer complexes. We are fortunate that this computer potentate is participating in our market.

12411

CSO: 2600/541

PROSPECTS FOR FUEL, PRODUCER GOODS SUPPLY IN 1987

Warsaw GOSPODARKA MATERIALOWA in Polish No 1, Jan 87 pp 1-6

[Article by Zbigniew Wit: "Prospects for Basic Fuels, Raw and Other Materials Supply to the National Economy in 1987"]

[Text] Expected fulfillment of the central annual plan for 1986 and the draft plan for 1987 bear out the estimates and assumptions in the field of furnishing basic fuels, raw and other materials to the national economy included in the draft national socio-economic plan for 1986--1990.

The mounting fuel and raw material barrier is closely tied to a complicated situation in investment, foreign trade, management of labor resources and environmental protection, as well as insufficient progress in improving the efficiency of using raw and other materials. Opportunities for supplying fuels, raw and other materials to the national economy through trade and economic cooperation with the capitalist countries are profoundly restricted compared to the 1970s. At present, imports of raw and other materials from the capitalist countries depend on our payments situation; the latter in turn depends on the growth of our exports. Due to these factors, the rate of increase in the supply of fuels and raw materials in our country will be lower in 1986 through 1990 than in 1983 through 1985.

At the same time, achieving the basic social objectives, such as nutrition for the nation, housing construction, and health care will create increased demand for materials.

Evaluation of Supply in 1986

A 2.1 percent increase in deliveries of basic fuels, raw and other materials for inland supply was envisaged by the central material balances for 1986. It is estimated that the provisions of central material balances for 1986 have been met. Estimated inland supply increased by 2.8 percent in 1986, i.e. exceeded the provisions of the plan by 0.7 points, including 1.5 percentage points for industry and 0.7 points for market supply.

It became possible to exceed the planned increase in inland supply due to the faster than planned growth in production of fuels, raw and other materials. This was achieved mainly due to the faster than planned growth of production

in the food complex and allocation of a segment of balance reserves for inland supply.

Fulfillment of the plan for inland supply varied for individual groups of materials. Overfulfillment occurred for the products of the food complex (by 1.9 percent), of the iron and steel industry (by 1.4 percent), of the fuel and energy industry (by 0.7 percent) and of the wood and pulp industry (by 0.5 percent). At the same time, the plan was not fulfilled in the deliveries of chemical products (by 1.4 percent) and raw materials for the light industry (by 0.8 percent). Shortfalls compared to the plan of inland supply are primarily the result of a difficult import situation and varied degree of fulfillment in domestic production.

According to current estimates, targets of the central annual plan for the production of sulphur, fuel oil, nitrogenous fertilizer, polivinyll chloride, synthetic rubber, chemical fiber, cement, coniferous timber and paper have not been met (1).

Despite the generally favorable situation in implementing central balances of materials in 1986, the timing of deliveries, especially those imported, is inadequate. This causes an array of unfavorable phenomena in the supply of materials. The situation is especially difficult with regard to raw and other materials imported from the capitalist countries. The main strains occurred in 1986 in the supply of metal products, including 2 to 6 mm sheets, zinc-coated sheets, large-diameter pipes and high-grade steel, electric cables, plastics, especially polyethylene and polystyrene, synthetic and natural rubber, cement, tires, especially for current operations, non-ferrous metals, especially aluminum and tin.

Supply of Fuels, Raw and Other Materials in 1987

The growth of production and national income planned for 1987 will hinge on the improvement of inland supply of raw and other materials and increased efficiency of their use. It is estimated that in 1987 total supply of fuels, raw and other materials will be 1.8 percent higher than in 1986.

The growth rate of the total supply of fuels, raw and other materials will, therefore, be about 10 percent lower than that achieved in 1983 through 1985. As a result, the rate of growth of material product and national income will become more dependent on a reduction in specific consumption of materials. Total supply of materials will grow due to an increase in domestic deliveries by 1.7 percent and in import deliveries--by about 3.8 percent. The rate of growth in supply will depend more on the foreign trade turnover than has been the case thus far. Given the rate of growth for basic economic indicators and the supply of raw and other materials and fuels, it is necessary to achieve an improvement in efficiency resulting in:

- a reduction in the energy intensiveness of the industrial product by 2.2 to 2.5 percent,
- a reduction in the material intensiveness of the industrial product by 1.6 to 2.0 percent,

- a reduction in the energy intensiveness of construction by 2.0 to 2.5 percent,
- a reduction in the energy intensiveness of produced national income by 2.1 to 2.4 percent,
- a reduction in the material intensiveness of produced national income by 1.4 to 1.9 percent.

Improving the efficiency in the use of fuels, raw and other materials is a basic condition for achieving the levels of material product and national income envisaged by the central annual plan for 1987.

Given this situation, measures for carrying out the tasks of the central annual plan in 1987 should concentrate on:

- advancing the implementation of "The Action Program for Improving the Efficiency of Using Resources of Materials, Fuels and Energy in 1986 Through 1990" (2), by, among other things, preparing to carry out the measures placed under central control and scheduled for execution in 1987,
- making better use of the effects of economy-oriented investment projects commissioned before the end of 1986 pursuant to "The Program of Savings for 1983 Through 1985" and the central annual plan for 1986,
- gearing the savings programs of enterprises and economic units towards improving the use of materials in particularly short supply, especially those imported, and better management of secondary raw materials and wastes.

Improvement in the efficiency of utilization of materials in 1987 should be on such a scale as to allow achieving 55 to 60 percent of the increments in production and national income through more prudent consumption of fuels, raw and other materials, and only 40 to 45 percent through increasing the supply of materials, fuels and energy.

Combined improvements in the efficiency of utilization should be higher in coal-, steel- and metal-intensiveness than in other groups of fuels, raw and other materials.

Increases in deliveries for inland supply in 1987 will vary among basic fuels, raw and other materials.

Deliveries of the following groups of materials will be under 100 percent compared to 1986: hard coal (by 0.3 percent), coke (by 3.3 percent), nitrogenous natural gas (by 1.3 percent), motor gasoline (by 2.2 percent), fuel oil (by 4.3 percent), diesel fuel (by 0.3 percent), tinplates (by 0.6 percent), steel pipes (by 1.2 percent), ground and peeled bars (by 0.3 percent), zinc (by 0.6 percent), lead (by 2.0 percent), tin (by 1.5 percent), phosphorus fertilizer (by 1.1 percent), electric cables (by 1.0 percent), polypropylene (by 1.6 percent), truck tires (by 3.0 percent), tractor tires

(by 0.8 percent), cardboard (by 5.0 percent) and coniferous timber (by 2.5 percent).

Between 100 and 101 percent: copper (by 0.4 percent), high-BTU natural gas (by 0.5 percent), soda ash and dense soda (no growth) and polyethylene (by 0.7 percent).

Over 101 percent: brown coal (by 4.0 percent), coke-oven gas (by 1.9 percent), pyrolysis gasoline (by 6.2 percent), electricity (2.9 percent), rolled goods (1.4 percent), batteries for motor vehicles (by 8.6 percent), caustic soda (by 4.2 percent), nitrogenous fertilizer (by 7.9 percent), tires for agricultural equipment and implements (by 8.0 percent), sulphur (by 1.5 percent), polyvinyl chloride (by 10.7 percent), cement (by 4.3 percent), paper pulp (by 4.5 percent), cotton (by 2 percent), wool (by 3.9 percent) and raw hides (by 3.2 percent).

Different growth rates are the result of differing conditions for increased production and imports and changes in demand due to, among other things, reductions in material intensiveness and advancing substitution among materials. Thus, it is expected that the shortage of hard coal will be mitigated by increased deliveries of brown coal, coke-oven gas, fuelwood and coal briquettes, decreased deliveries of fuel oil--by increased deliveries of hard coal dust and natural gas, and coniferous timber will be replaced by chipboard.

Due to incremental coke output from the new coking plant at the Katowice Steel Mill, the shortage of coke-oven gas is expected to become less acute, and that will reduce the shortage of natural gas. It is expected that the needs of consumers for brown coal, sulphur, coking gas, phosphates, nitrogenous fertilizer, polyvinyl chloride, rubber, chipboard, cotton wool and hides will be more adequately met.

Supply to Industrial Enterprises in 1987

Deliveries of basic raw and other materials and fuels to industry will increase by at least 0.7 to 1.5 percent in 1987. Given a 3.2 percent growth of industrial production, the rate of economies must reach 1.6 to 2.0 percent. The rate of growth in deliveries to industry will be somewhat higher than that of deliveries for production purposes (100.7 to 101.4 percent). Higher rates of growth will be achieved in deliveries of raw materials for light industry (102.4 percent) and products of the food complex (101.6 percent). The growth in deliveries of fuels and energy will be small (100.5 percent), including primary fuels measured in standard fuel (100.2 percent), whereas deliveries of metal products, non-ferrous metals and products of the wood and paper industry will remain at approximately the 1986 level.

It is expected that for the basic groups of industries the growth in deliveries will be as follows:

for the fuel and energy industry--no growth,
for the iron and steel industry--by 1.0 percent,
for machine building--by 0.5 percent,

for the chemical industry--by 2.6 percent,
for the construction materials industry--by 0.3 percent,
for the wood and paper industry--by 0.2 percent,
for light industry--by 1.4 percent,
for the food-processing industry--by 1.2 percent.

Different rates of growth of production in individual groups of industries are the result of the volume of supply and differences in the potential for improving the efficiency of the use of materials.

Average reductions in industry in material intensiveness by 1.6 to 2.0 percent and in energy intensiveness by 2.2 to 2.5 percent should mainly occur with regard to raw and other materials in short supply. In many groups of materials, for which reduced supplies are expected compared to 1986, a reduction in quantity and value indicators of consumption may exceed the average. On the average, material economies should account for 55 to 65 percent of the increment in industrial production. However, for some materials this share should be considerably higher, such as, among other things, hard coal, fuel oil, steel pipes, cold rolled metal sheets, aluminium, rubber and coniferous timber.

Supply to Construction in 1987

Given the low overall growth of deliveries of materials for production purposes, preferences granted to industry determine the supply situation in other sectors of the national economy, including construction. Deliveries of basic fuels and materials for construction may increase by 0.2 to 0.6 percent. Under these circumstances, the growth of construction calls for:

- further reducing the share of construction and assembly work in investment,
- expanding the use of technologies and economic and organizational arrangements which reduce specific consumption of materials,
- eliminating the still considerable waste.

Under the present circumstances, we should reckon with the necessity to restrict investment in structures if the pace of introducing new technologies in construction grows slower and changes in the structure of technologies used to erect buildings in favor of less energy- and material-intensive technologies are not made. It will be necessary to reinforce economic sanctions intended to reduce the volume of construction and assembly work from that of the stated needs to the one envisaged by the plan. While the supply of material resources to construction as a sector is reduced, care will be taken to increase deliveries for new housing construction and repairs of housing.

In 1987, deliveries of materials to housing construction (including infrastructure) may increase by 1.4 percent. Preferences given to housing construction over all construction are reflected in the table below:

	All construction	Housing construction	Other construction
- rolled goods, total	100.0	101.3	98.5
- steel pipes	101.2	101.5	100.0
- zinc-coated sheet metal	94.0	101.5	85.3
- electric cables	100.3	101.4	99.4
- cement	100.0	101.4	94.8
- coniferous timber	100.7	101.4	100.0

The volume of housing construction in 1987 will largely depend on the rate of reduction in specific costs, including a reduction in its material intensiveness by at least 2.0 to 2.5 percent compared to 1986.

The situation will be particularly difficult with regard to steel pipes, cables, trim and roofing materials. Due to the preferences for housing construction, customers in the remaining construction should not expect an increase in the deliveries of materials in 1987. On the contrary, they may decline by 1.0 to 3.0 percent, whereas deliveries of zinc-coated sheet metal and cement may be reduced considerably more.

Repairs and upgrading of housing belong to priority activities in the 1987 plan in the supply of materials as well. Among other things, increases in deliveries of rolled goods, steel pipes and zinc-coated sheet metal are expected to be greater than for the new housing construction. Deliveries for that purpose individually specified in the balances will increase in 1987 by almost 7 percent, i.e. faster than in 1986. Considerable progress in carrying out the program of repairs and upgrading of apartments should be made possible by accelerated deliveries for repairs and modernization of housing combined with achieving 2.5 percent savings in the consumption of materials.

Groups of Fuels, Raw and Other Materials in Particularly Short Supply in 1987

Fuel and Energy

In 1987, the situation of the fuel and energy balance of our country is going to be more difficult than in 1986. Output of domestic primary fuels is expected to increase in 1987 by 0.6 percent, i.e. 1.1 million tons of standard fuel, and, therefore, less than in 1986 (2.0 million tons). At the same time, it will not be possible to maintain a considerably faster growth of imports compared to that of exports, as was the case in 1986. It is expected that in 1987 imports will exceed exports by 0.9 million tons of standard fuel, i.e. the balance of foreign trade will deteriorate by 1.3 million tons of standard fuel. In 1986, the balance was positive (exports exceeded imports) and amounted to 0.4 million tons of standard fuel, and in 1985--to 4.6 million tons of standard fuel. Maintaining this trend further would impair the growth of supply imports, especially from the 2nd payments area [capitalist countries], due to a decline of cash proceeds from exports. Among other things, it is expected that exports of coal will decline from 35 million tons in 1986 to 33 million tons in 1987, whereas in 1985 it was 36.1 million tons. Imports of crude oil and gas will not increase.

From 0.2 to 1.0 percent more fuels than in 1986 may be allocated for inland supply. The upper limit of growth may be achieved if the envisaged balance reserves are allocated mainly for inland supply. At the same time, growth of inland consumption at a similar rate will be possible if the reserves of fuel increase in 1986 through, among other things, complete fulfillment of the tasks of the central annual plan on reducing the energy intensiveness of production and the national income (by 3.0 percent). Such a task on reducing the energy intensiveness of the national income in 1987 is set at 2.2 to 2.5 percent, i.e. higher than the annual average in the national socio-economic plan for 1986 through 1990 (1.9 to 2.3 percent) and lower than in the central annual plan for 1986. A reduction of that magnitude in the energy intensiveness of national income calls for saving 4.0 to 4.5 million tons of standard fuel in 1987 compared to 1986. Meeting these requirements will be very difficult. Relatively favorable results in 1986 owe primarily to more favorable atmospheric conditions compared to 1985.

The situation in the overall fuel and energy balance is replicated with regard to individual fuels. The situation with hard coal, fuel oil and diesel fuel is going to be particularly difficult.

Hard coal. Ensuring adequate deliveries and progress in improving the use of hard coal, which accounts for about 70 percent of inland consumption of energy carriers, 10 percent of the value of overall exports and 14 percent of that to the 2nd payments area, will be the most important issue in providing fuel and energy to the national economy in 1987. Profound strains are evident in the balance of coal for 1987. This is the result of the following conditions:

- small growth of production to 192.5 million tons in 1987, compared to 192.0 million tons in 1986, i.e. by 0.3 percent,
- the need to increase reserves held by suppliers by 0.8 million tons,
- the need to maintain inland supply at the 1986 level,
- a reduction in exports from 36.1 million tons in 1985 to 35 million tons in 1986 and 33 million tons in 1987.

A balance reserve of 1.7 million tons is envisaged in the 1987 balance of hard coal. If the atmospheric conditions are favorable and progress is made in reducing the coal intensiveness of production and the national income, this reserve can be exported, which would generate additionally about \$80 million.

All basic groups of consumers will experience difficulties with hard coal supplies, i.e. those in the communal-household and production sectors. It is expected that 158.9 million tons of coal will be allocated for inland supply, i.e. approximately the same as in 1986 (159.3 million tons). Out of the total, the following are allocated for individual uses:

- power generation by common grid utilities--44.05 million tons, i.e. 1 million tons less than in 1986,

- heat generation by common grid utilities--15.2 million tons, i.e. 0.7 million tons more than in 1986,
- coke production--21.5 million tons, i.e. 550,000 tons more than in 1986,
- cement production--3.95 million tons, i.e. at the 1986 level,
- railroad transportation--2.2 million tons, i.e. 30,000 tons more than in 1986,
- market supplies--27.4 million tons, i.e. 550,000 tons more than in 1986.

Deliveries are expected to be smaller than or, at best, equal to those in 1986 in all sectors of the national economy except transportation.

In industry, the situation will be particularly difficult. Due to uses such as power and heat generation, coke and cement production, deliveries to the remainder of industry will have to be reduced by about 4.7 percent. This mainly involves the iron and steel industry (except coking plants)--a 13 percent reduction, construction materials (except cement)--about 6 percent, light industry--4 percent, food industry--about 4 percent and wood and paper industry--3 percent.

All production plans of enterprises should be geared to better utilization of hard coal, including savings of other energy forms derived from coal, among other things, electricity and coke. Special attention should be paid to reducing specific consumption of fuel and energy in manufacturing highly energy-intensive products.

The balance of hard coal reflects the results of savings in all fuels and energy forms. The necessary 2.7 to 3.0 percent reduction of the coal intensiveness of the national income in 1987 is a very difficult economic task. The lack of adequate progress in measures improving the utilization of fuels and energy may jeopardize many goals envisaged by the central annual plan for 1987, because the reserves in the hard coal balance for offsetting the shortages caused by the poor results of savings measures are negligible.

Increasing deliveries for inland supply by reducing exports further (below 33 million tons) would mean further reductions of proceeds from coal exports and would directly restrict supply imports. For this reason, economizing on hard coal is vital for the rate of growth in material production. The following measures should be taken in order to mitigate the looming shortage of hard coal:

- increase in production by the machine building industry of equipment and boilers making it possible to secure savings and to replace lump coal by coal dust and brown coal,
- introduction of incentives to replace and modernize coal-fired equipment and boilers for enterprises. This is possible, for example, by reimbursing the enterprises for a part of the outlays for such projects from the state budget

or by exempting the expenses borne by the enterprise from inclusion into the base of income taxation,

- persistent implementation of provisions of resolution No. 208/85 of the Council of Ministers, dated 19 December 1985, on restrictions on the consumption of selected fuels and energy forms in 1986 through 1990,

- accelerated introduction of punitive fees by enterprises using hard coal over the assigned limit,

- increased deliveries of brown coal (lump and dressed), fuelwood and peat to the domestic market.

Diesel fuel. Refinery throughput in 1987 will remain at the 1986 level (due to the lack of hard currency for increasing crude oil imports from the 2nd payments area). This will result in production of diesel fuel in 1987 at an unchanged level. At the same time, imports of diesel fuel are to decline by 20,000 tons in 1987. The already occurring shortage will become more pronounced in 1987 due to growing demand. Total demand for diesel fuel in 1987 is estimated to be between 5.85 and 5.9 million tons, whereas possible supplies--5.75 million tons. Between 100,000 and 150,000 tons are lacking to meet the demand in full.

Among other things, the following measures are necessary in order to mitigate the looming shortages of diesel fuel:

- persistent scrapping of obsolete and inefficient trucks and buses; this involves, among others, various old buses used by enterprises for tourism and excursions,

- stricter control of full utilization of the load capacity of transportation vehicles.

Fuel oil. Due to the stabilization of refinery throughput and deeper refining of oil, production of fuel oil in 1987 will not increase, but may fall. The yield of fuel oil from crude oil decreased consistently from 17.3 percent in 1984 to 17.1 percent in 1985 and 16.5 percent in 1986. It is expected that in 1987 the yield of fuel oil will remain at the 1986 level.

Deliveries of fuel oil for inland supply will be 4.3 percent lower than in 1986 and will amount to 2,511,000 tons. The demand for diesel fuel [as published; "fuel oil" is called for] will come up to between 2.58 and 2.6 million tons, despite the savings measures undertaken. In view of decreasing deliveries of fuel oil, smaller deliveries for all sectors of the national economy are envisaged, including:

- for cement production, reduced by 25,000 tons, i.e. from 115,000 tons to 90,000 tons.

- for greenhouses, reduced by 15,000 tons, i.e. from 120,000 tons to 105,000 tons.

Both measures in rationalizing consumption are envisaged by the draft national socio-economic plan for 1986 through 1990.

Rational management of fuel oil calls for tightening the consumption norms in enterprises where fuel oil is used seasonally or in starting up coal-fired equipment.

Products of the Iron and Steel Industry

Growth of the steel production and associated growth in metal products output in 1987 will be small: from 15.8 million tons in 1986 to 16 million tons in 1987, i.e. by 0.2 million tons. In 1986, the increment in the output of metal products amounted to 0.6 million tons.

In 1987, production capacity in metal processing will not increase, while the expected increase in production will be due to increasing the degree of utilization of the existing production capacity. The rate of growth in deliveries of iron and steel products for inland supply will be lower than the rate of increase in the output of these products due to the need to improve the balance of payments in the 2nd payments area. For the 1st payments area [socialist countries], a faster growth of imports than that of exports is planned, which should alleviate supply shortages.

It is estimated that in 1987 the growth of deliveries for inland supply will range between 99.8 and 100.8 percent, including reduced deliveries of steel pipes, zinc-coated sheets, tinplates, ground and peeled bars. This situation will cause strains in supplying the main sectors and branches using iron and steel products, especially the machinebuilding and fuel and energy industries and construction. Under these circumstances, reductions in the steel intensiveness of production and the national income will remain a key issue in the economy, with a view to creating conditions for a broader exchange of iron and steel products with foreign countries in order to ensure increased imports of iron and steel products, especially of higher grades. It is estimated that in 1987 it will be necessary to reduce the steel intensiveness:

- of the national income by 2.3 to 2.6 percent, which corresponds to saving between 300,000 to 500,000 tons of iron and steel products, primarily in machine building,

- of construction by 2.0 to 2.5 percent, which corresponds to saving 50,000 to 60,000 tons of iron and steel products.

Hot-rolled finished products. The increment in production of rolled products in 1987 will amount to merely 100,000 tons, i.e. 0.8 percent more than in 1986, whereas last year it amounted to 470,000 tons. Faster growth of imports than that of exports to the 1st payments area should make it possible to increase inland supply by about 50,000 tons. For the 2nd payments area, exports should grow by about 20,000 tons while imports remain stable in order to improve the balance of exchange.

At best, deliveries for inland supply will grow to between 99.7 and 100.7 percent, providing, at a maximum, for a 75,000-ton increment. Hot-rolled

sheets 2 to 6 mm thick, standard-gauge rails, acid-proof sheets (imported) are in particularly short supply. Under these circumstances, it is important to use the materials better and to ensure supplies for the most significant economic sectors. Deliveries to the following are expected to increase:

- for further processing in the iron and steel industry by 2.2 percent in order to provide for growing output of higher-grade products better suited for the needs of the consumers,
- the machine building industry by 0.6 percent in order to ensure market and export production,
- agriculture by 2.4 percent with a view to fostering growth of agricultural production,
- housing construction including infrastructure by 1.3 percent,
- repairs of housing, buildings of educational and health care facilities by 7.1 percent in order to prevent the depreciation of the existing housing stock.

Supplies to other branches and the domestic market will be below the 1986 level. Under these circumstances, it is necessary to step up measures aimed at improving consumption of rolled products by using material-saving constructions as early as the stage of designing products in design offices, increasing production of high-quality steel and developing processing in the iron and steel industry in line with the needs of consumers.

Steel pipes. In 1987, production of steel pipes may fall by 3,000 tons to the level of 241,000 kilometers due to the stoppage of the Swierczewski Steel Mill for planned refurbishing. Changes in the structure of production intended to increase the output of pipes in particularly short supply will lead to larger production of steel boiler tubes made to class 3 specifications (by 1.7 percent) and drill pipes (by 10.0 percent). However, these positive trends will not change the overall situation in supplying steel pipes. Large-diameter mains, drill pipes and boiler tubes will be in particularly short supply. Short supply of pipes to machine building may cause disruptions in, among others, the power equipment and automobile industries, production of bicycles and household appliances (gas ranges). In construction, the lack of pipes may slow down construction and assembly work.

The main way to alleviate the shortages should be using reserves of pipes accumulated by consumers and increasing their imports mainly for the consumers' funds.

Plastics

In 1987, production of plastics is expected to grow by about 18 percent compared to 1986, and deliveries for inland supply--by 4.3 percent; the growth in production and deliveries will involve mainly polyvinyl chloride. The shortage, especially of polyethylene, polypropylene and styrene plastics, will persist.

Deliveries of polyethylene will grow a little (by 0.7 percent), which will make it possible to meet 70 to 80 percent of consumer demand. Deliveries to the food industry are expected to increase (by 5.0 percent), as well as those for production of packaging foil and sacks for fertilizer (by about 2 percent).

In 1987, measures aimed to replace products made with polyethylene with those made with polyvinyl chloride will proceed.

National supply of polypropylene will be about 1.6 percent smaller in 1987 compared to 1986, and about 65 to 70 percent of the needs will be met. Deliveries will increase only for the production of fabric sacks and battery linings.

The balance of polyvinyl chloride envisages production of 240,000 tons, i.e. 41 percent higher than in 1986. This is based on the assumption that considerable progress will be made in achieving production capacity at the Nitrogenous [Fertilizer] Plant in Wloclawek. Increased deliveries of polyvinyl chloride for production purposes will make possible a substantial growth of output of floors, pipes and floor finish for construction. Expected growth of PVC output in 1987 will make it possible to fully meet demand while at the same time increasing exports.

A 3-percent increase in deliveries of polystyrene for production purposes will not raise the share of demand met, which is estimated to be 60 percent. It is expected that, for the most part, deliveries for production of telephones will increase (by 9 percent) and of audio- and videocassettes (almost twofold).

The situation in plastics has delayed for several years a process of substituting for iron and steel products, wood, paper and cardboard, which is important from the standpoint of efficiency of material use. At the same time, justifiable growth of domestic needs in 1987 will increasingly limit possible exports of polyethylene and polypropylene, while the demand for imports paid from the currency funds of the customers will grow. Given this situation, the basic measures should be as follows:

- achieving the planned volume of PVC production, also at the Nitrogenous [Fertilizer] Plant in Wloclawek,
- expanding efficient substitution for polyethylene by PVC,
- introducing bans by the minister of materials and fuels management on production of adequate items, especially by small-scale industry (toys, household appliances), from high-grade plastics, especially polyethylene, polypropylene and polystyrene.

Cement

Production of cement in 1987 should be 6.8 percent higher than in 1986. Given the acute shortage of cement in 1986, greater supply in 1987 should improve the inland supply and alleviate the nervousness of the market. Inland supply

of cement will be 4.3 percent higher, 1.3 percent higher for production purposes. Faster growth of deliveries will be ensured for the construction materials industry (by 4.2 percent), agriculture (by 10 percent), transportation (by 5.0 percent) and the fuel and energy industry (by 2.6 percent).

A considerable increment in deliveries will be directed to the market. However, some of the deliveries may have to be made in bulk due to the shortage of sacks.

Maintaining adequate continuity of production will be the most important issue in the cement industry. At the same time, a reduction in consumption of standard fuel in producing one ton of cement by 0.6 to 1.0 percent is required. Simultaneously, effective savings measures should be applied in production processes consuming cement, especially in construction.

Restricting the Extent of Mandatory Brokerage in Sales of Raw and Other Materials

In 1987, the system of material-technical supply will be brought closer still to the target model outlined in the guidelines for the economic reform. The adopted economic reform guidelines in the sphere of material-technical supply envisage that, upon their implementation, all forms of allocation and rationing will cease, and material-technical supply will occur through a system of horizontal contractual links between interested enterprises, without administrative interference and restrictions (prices, commissions, taxes, legal norms of contractual relationships etc.).

Analyses and evaluations of production and supply conditions have made it possible to submit to the Council of Ministers a proposal on limiting in 1987 the scope of raw and other materials subject to mandatory brokerage in turnover. The Council of Ministers approved the proposal, passing requisite resolutions (3). Due to this, 58 assortment groups of raw and other materials and products are exempt from mandatory brokerage effective 1 January 1987. These groups include items of essential significance in supplying enterprises and economic organizations, such as, among others, iron ore, iron and steel scrap, alloy additives for iron and steel plants, car batteries, steel cord, hydrochloric acid, natural and synthetic hides, cotton, wool, cotton and wool yarn. Annex No. 2 to resolution No. 115/86 of the Council of Ministers mentioned above contains a detailed list of these materials.

It should be stressed, however, that turnover management units signing contracts for the delivery of materials referred to in annex No. 2 and obtained through government orders or raw material imports are obligated to meet fully the need of enterprises and economic organizations working on priority tasks as called for by the scope of produced priority output. Also, they are obligated to comply with the uses and amounts of consumption set forth in the material balances adopted by the Council of Ministers as part of the central annual plan and in the balances adopted by the minister of materials and fuel management.

FOOTNOTES

1. This paper was written prior to the final calculation of economic performance in 1986 (editor's note).
2. This program is an integral part of the national socio-economic plan for 1986 through 1990.
3. Resolution No. 115/86 of the Council of Ministers, dated 28 July 1986, on government orders and operational programs; RZECZPOSPOLITA (REFORMA GOSPODARCZA supplement No 82), 7 August 1986.

9761

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'POLAR' WORKERS DESCRIBE FRUSTRATIONS, INEFFICIENCIES

Wroclaw GAZETA ROBOTNICZA in Polish 2 Mar 87 p 1

[Article by Ryszard Zabinski : "Workers at 'Polar' on the Reform"]

[Text] "We have thought about the means to use in assessing the reform. Should we use the prism of numbers, indicators, graphs and the like or should we get opinions on the subject from you? How do you, the ones who work directly at the machines evaluate it? Has it reached you, and if not then what obstacles do you see? What in your opinion could be done to increase work efficiency, lower costs and so forth?"

This is much the way that Marian Mazur, Wroclaw KW PZPR secretary, addressed the workers, foremen, division leaders, and managers at the Wroclaw "Polar" [Appliance Manufacturing Enterprise]. I thought that after such an opening address a lively discussion would begin with the workers voicing their troubles.

The scenario of the meeting, however, was different. First there were presentations by the administrators. The longest was by Julian Kosz, the economic director. He touched on the matters of export, technology, employment and pay, quality etc. Not surprisingly, after 20 minutes I noticed a definite weariness in the faces of the listeners. Inundated by a flood of numbers and indicators I stopped taking notes. After Director Kosz there was a short speech by the representative of the enterprise PZPR committee, and I got the distinct impression that all has already been said and that there was going to be no discussion.

The administration representative sitting next to me was approached by "Polar" Director Karol Popiel who whispered something into his ear. My neighbor nodded his head and then started writing, preparing his speech. The worker sitting on my left was squirming listlessly. "These are only slogans," he muttered under his breath, he was visibly annoyed. "I'm getting a drink of water, and going on," decided my neighbor.

His speech was short, he spoke hurriedly, possibly his anger had not passed. Addressing the general conclusion about the necessity for material savings, he was surprised that order has not yet been introduced to the sheet metal cutting area. In one division there are 12 shift workers. If their salary was

distributed among a smaller number of workers then would these not work better, more efficiently? We know what we must do, but we don't do it. We only talk and talk.

This was the critical moment in the meeting. The enterprise committee secretary did not have to encourage the discussion. An older man, a worker in the hydraulics shop stated that he didn't see the reform in his work area. He was troubled by the continuing primitive conditions ("we force bearings onto shafts with pipe and hammer, we run like dogs around our work area and piss in the corners"). He was troubled by the lack of respect for enterprise property. "A director wearing a hat was walking by while a move man was exiting the work area with his cart. The doors were closed so boom, he hits them with the cart. The director's hat was knocked off, but he survived. So I asked him, 'Well, now what Mr. Director?' Well, nothing. Do you think anyone paid for the damage done ?

"Here's another example. Our washing machines are taken to the Huby trade pavilion, they are unloaded and the wooden crating remains. Then along comes some old man who collects and sells this wood... Why can't we do this?

"With co-workers we made a machine worth several million zloty work better. How is it that the workers made the improvement while we have engineers and even a Center for Research and Development in the enterprise. There was no solution, there had to be a 'godfather' for this idea... The workers got 15,000 zloty. They said that next time they won't be killing themselves ... "

A young, but serious looking, man took the microphone. His is a managerial position, but his outlook is a worker's outlook. "There were 800 persons standing around without anything to do," he said. "65 million in production was lost. This is the price of one idle day. The worker gets 30 zloty per hour when the plant is idle, that's 240 zloty a day."

"On television they showed that workers at some sausage making cooperative are making 30,000 to 50,000 zloty per month. At "Polar" at the end of the year it will be 22,800 zloty. I dare think that the great industrial working class has disappeared. 'The prices of our products are continuously being raised, but I make less than I did before,' a worker told me. 'Well, it seems that I make more but when I enter a store I know it is less. After all Director Kosz told us that our efficiency has gone way up. We don't want to be slaves in our own country. This is how it all could be summed up.'

"Much was said about quality. I analyzed this problem as well. The core of it is that we use many inferior substitute materials. This must reflect in the quality of the product, and this contributes to the wear on our machines which are not suited to these materials. The worker sees it all. This of course should not stop the worker from doing good work, but as to the conclusions he may reach, these are easy to surmise."

I listened with interest to a speech by the young engineer, a member of the Work Council. I heard about the conflict between a past council and the management. The engineer's speech was constructive in nature. He had just completed the training for new self-government activists. These activists who

become immersed in the mysteries of our economy, were even more surprised. They were surprised by the pricing formula which encouraged the increases in prices, they were surprised by the frequent changes in the rules of the economic game. They were disappointed that they could not bring about an increase in pay, of but a few thousand zloty more, for the friends whom they represented.

"This may sound strange", said the engineer, "but I dream of the introduction of martial law into the economy... Let me explain what I mean. Let there be an appointed day on which all the enterprises will obey the same rules of the game. Let the practice of having efficient enterprises support the inefficient ones stop. From the director's presentation, from the '500 list' and so forth we can see that 'Polar' is efficient, but our pay levels are way behind, even just in our own branch of industry... "

I finally got to hear a pronouncement by a worker. Wonder of wonders, it was full of numbers, but most interesting ones. He spoke about rods which before use, must be "milled" down by 8 to 9 millimeters. He calculated that 40 percent of the materials which he handles are turned into scrap, for such are to costs of such fitting. He compared Italian with Polish materials. From the first 320 items could be made, the second produced only 150. How great are the reserves that efficiency could produce. He could not withhold his comments. He spoke about salary levels, but with the appropriate precision. There are jobs where 120 percent of the quota is done but the daily pay is only 500 zloty.

"You take away our overtime, but pay but a few zlotys for regular time. I fail to understand one thing. The OBR [Center for Research and development] made us an automatic 6 spindle machine. It has stood unused for 2 years. I don't understand this," he finished somewhat helplessly.

"Today we stopped producing the small washing machine," stated the next person involved in the discussion. "We lost 8.5 million zlotys. I hear that soon we will no longer get imported pipe, I hear that soon we will run out of enamel, I hear that there was idle time on the freezer line. We hear about problems with the chemistry, with packaging, etc. Is the center trying to master this situation, is it trying to balance out the materials? Why are they not given to those who are the most efficient? If everyone gets a little then we all will have idle time shortly."

The idle time demoralizes the workers. The vice-leader of the ZSMP [Union of Socialist Polish Youth] spoke of this in connection with matters of youth adaptation. It is difficult for him to carry on conversations with them. "Come back and talk to me when I have work, then I will tell you the reply."

I do not know if other meetings organized by the KW PZPR were as lively. From the statement made by Secretary Marian Mazur at the end of the meeting I surmised that the organizers gained many valuable insights from the workers.

These will be utilized in the course of preparations for the KW PZPR plenum which will take place in March and will be devoted to economic problems. It can be hoped then that the opinions expressed at this meeting will reach the governing bodies.

WORKERS VOICE COMPLAINTS ABOUT REFORM PROGRESS

Wroclaw GAZETA ROBOTNICZA in Polish 11 Mar 11 87 p 3

[Article : "Reform in the Workplace - How Do You Perceive It ?"]

[Text] It is sometimes said that if the mechanisms of the economic reform do not begin to function at the bottom, in the shops, then it will be difficult to give impetus to the country's economic development. Before the plenary meeting of the Wroclaw KW PZPR we asked the workers what they thought and what they expect.

Mieczyslaw Korzeniowski, a foreman in the Forest Products Enterprise "Las".

"We cannot see the reform in our back yard. For example - salaries. In my 17 person crew the pay scales are between 15,000 and 20,000 zloty. The agreed on wages of 68 to 73 zloty per hour are too low. This discourages the workers. People are leaving the enterprise. But we manufacture for export. The Western countries buy venison with hard currency. Of course none of us would think to be paid in hard currency, but the reform states that the enterprises which sell products to the West will benefit from it. Well?

"I think that greater efficiency can be obtained through the mechanization of production. With increased efficiency the salaries should go up. Up to now almost all the work, from skinning to cutting up the venison, is done by hand."

Marian Czawlytko, foreman in the mechanical department of the "Klecina" sugar plant.

"For a year and a half I worked at the Hungarian "Kaba" sugar plant near Debreczyn. I liked the management teams which were introduced there as part of a reform. Various tasks were worked out which the already mentioned groups could do. Then there was a bidding process to choose the group that could get the job done at the lowest cost. This was healthy competition. For example in painting areas of the sugar plant. Just imagine that in the groups worked women with a higher education whose regular positions were in administration. This is a thing unimaginable here. A female Master's degree holder from the cadres with a paintbrush? Of course this work was done after regular hours.

"I expected that our sugar plant would go and create such groups. But at present our shortage of cadres forces us to hire the maintenance organizations from other enterprises. And this can be linked to another fact. The management has no other option but to use the services of other enterprises. Why? Because they can supply replacement parts. If we could get them on the open market then we would already have the teams at work.

"I would like to introduce the multiple specialization of individual workers into my division. So that a welder could do mechanical or electrical work. And the reverse, so that a machinist could weld etc. Then we would do maintenance faster and would earn more money.

"Unfortunately the sugar business is too specialized. There are huge disproportions between pay during a production campaign when mechanics make over 30,000 zloty and the so-called maintenance periods when salaries are around 15,000 zloty. During the production campaign there is in effect a motivational pay system which is linked to sugar production. Now it is only 10 percent of regular pay... This is why there is such a great rotation of cadres, the experienced workers are leaving or the positions are left open."

Zdislaw Irek - foreman in the assembly division and Wladyslaw Zasina - assembler at the Wroclaw "Zachod" Construction Enterprise (recently known as the Wroclaw Building Combine)

[Irek] "It is nice to talk about the first or second phase in the reform, but when, for example, one looks at transport in the building industry he can see that we took one great step backward. In all of Wroclaw there are only three carriers adapted for transporting prefabricated concrete sections, and these have no apparatus for self-unloading. There are 5 construction enterprises."

[Zasina] "The elements are moved 4 times, what can be their quality? When 40 partition walls are brought up we must waste 2 hours on unloading, when we should be doing assembly work, but the crane must be used to take the sections off the platform."

[Irek] "The thing is that from Monday to Friday we work half days because we are short of this or that, then there is a rush to finish up after hours and on free Saturdays. The irregular deliveries are killing construction. First there is the periodic shortage of cement, then steel, then grout for the tile..."

[Zasina] "All last year we received only token amounts of tar paper. Then suddenly on Christmas Eve we get a delivery -half of the annual supply. Can then one be surprised that that organization of work at the worksite is merely fiction?"

[Irek] "Whose idea was it that all the brick for our buildings be brought from Katowice? In addition these are no longer being palletized. One must take care that they do not get wet during transport because they are so brittle they fall apart on one's hand. To break one in two a hammer is unnecessary, all one has to do is to snap it."

[Zasina] "The reform in the workplace means that a worker can earn good money for good work. It is not enough that everything makes this difficult. Someone thought up the idea that regardless of the growth in production pay should be increased by 12 percent. There is nothing to be taken away from the prestige of our profession. I remember just 10 years ago the construction schools were full of students and construction sites were overrun with hordes of apprentices. Today they can be counted on one's fingers."

[Zasina] "I returned to this group because it is a well coordinated collective. I must add that there are many such groups in Poland. Just let them work and forget the ridiculous organizational regulations which limit a workers possibilities. Give us, we say, good machines, to replace the cranes that are falling apart, a supply of materials, and let us earn some money, and the rest will take care of itself, because money is the best incentive."

[Irek] "Why should we be talking about reform in our place of work, on the construction site? Is 'Inwestprojekt' not involved in the reform? We were finishing a housing block and the plans specified that it should continue in the direction of Lotnicza Street. But instead of documentation for that stretch of housing they sent us plans for another building near Lotnicza Street. We had to disassemble our cranes, move the tracks, the barracks, and then people wonder that the costs go up. Surely, no one among us wants that kind of reform."

Jan Mendak, a foreman at the Wroclaw General Construction Enterprise.

"I can feel the reform half way. We work for agreed wages, so the reform makes no difference. As long as the weather is good and there is material then the pay scales depend on the job list and I don't care about the rank of my personal salary, whether it's 5 or 200 zloty. Only when we have to work a daily wage then the amount is counted with a premium and then my monthly result is 15,000 rather the average 38,000 zloty, because this depends on what the enterprise can afford. Two years ago the enterprise had troubles so no one in our group made 13,000 zloty last year. I don't know whether this is due to the reform or if it is even fair."

Jan Krysik, a carpenter at the WPBO [Wroclaw General Construction Enterprise]

"We work as a group and must work to make money. No one has to drive us for the work to get done, so I must say that in truth this reform is rather poor. Should it be that during a good reform of the entire economy I should obtain my tools from friends who travel outside the country? A company hand axe, even though it costs 480 zloty, bends and breaks on common wood. If the reform was good then care should be taken at the prefabricated housing factory so that the elements arrive in sequence, not as it once happened, starting with the roof and ending with the ground floor. Someone else besides me should be penalized for this. We wait out months to get materials. Our concrete forms are made of such poor quality wood that after one use it is fit only for burning. Why should I take a loss because the quality is low in the tools, prefabricated parts, materials? I have no control over this. The only penalties I can justify are those due to weather, but for my 20 years in construction, I cannot stop wondering why the various tasks cannot be planned

so that during the winter we could work inside. I am well aware how much we need housing, because I myself have been waiting for 15 years. I think that these years are tied in with the hours that were spent in waiting at the construction sites."

Adam Krzaczynski, sorter at the Wroclaw "Centrozlom" [Metal Recycling Enterprise], and member of a Work Council.

"Perhaps you would not care to hear this but we, here at the bottom judge the reform by the amount of our earnings. This is the truth. Pay scales are the axle of the reform around which almost everything revolves. In fact, the reform has changed the pay systems used up to now, ours included. The system has been made more orderly, making it transparent, and what is more important, more understandable to the workers. But it seems to me that this system should be more effective in linking the effects of each worker's effort with his pay. At present this is only talk and more talk.

"Perhaps in the second phase of the reform there will be more meaningful changes, because there is no pay system which could not be improved. The prices for various goods are going up, so then people should have the chance and possibility to get higher pay. When one wants a raise the pay scale we immediately hear voices that blame us for fueling inflation because we want more money. Who does not want more money? The thing is to pay for higher production, the kind we have at 'Centrozlom'. The task for the economists is to combine the interests of the enterprise with the interests of the members of the workforce. The 'scrap workers', I know, want to change the motivational system somewhat, especially the premiums, so that the most productive worker would be the first to get more.

"The reform is too inelastic. On the conveyor belt I'd like to see the results of even better work and better management in the crew, the group, and the division. Working on the free Saturdays and on Sundays (we do work), improving the work organization and discipline, I'd like to be able to put more into my pocket. I must see my own interests, so that, among other things the scrap would be processed faster, transported faster to the mills, and time out that rail cars are tied up awaiting loading etc. This is what is lacking in the reform's considerations. We are waiting for it, for the mechanisms which will force us toward better management."

Stanislaw Galga, machinist-foreman in the milking machine division of the "Archimedes" enterprise.

"The reform has come but in its way it has met many barriers. Oh, that one of these would be materials. This is the one that keeps tripping it up. What if we have a better pay system which does more to mobilize, that we have a group agreement, if there are work stoppages because there is a shortage of sheet metal and small parts. Then all the other things in the reform, the increase in efficiency - go to hell. For example, it's like this with the sheet metal for the containers. There is shortage of the imported material, and the domestic keeps on delaminating, and what is worse it damages the equipment.

"The reform does too little to discipline technological processes and work organization. The best of reforms fail when there are no people. I expected that the reform would stop the outflow of the cadres, slow down the fluctuation in employment. This is not, unfortunately, what is happening. How can we speak about efficiency, effectiveness, and good work when often in place of true professionals come bunglers and those who received an order to take a job. Sometimes I close an eye to the loosened discipline, or even absenteeism because if I kick a worker out the gate then I won't get another and there's the problem. All these things should be taken care of by the reform in its wake; that is efficiency, discipline, better organization etc. This is what pay systems are for. One more thing, the reform really does encourage technological progress, rationalization and inventiveness are more lively. But this is all too little."

Zenon Rojek, machinist-grinder operator from "Pafawag" [Rail Car Building Enterprise]

"In my division the men are saying that the reform has 4 not 3 S's. The fourth S is self-will; self-will in pricing. The manufacturing enterprises are always raising the prices of their products. Refrigerators, washers, telephone, travel are all more expensive.

"Pay at our factory is not bad, but if one has a 4 person family then even 50,000 zloty is not enough if one must pay 5,000 zloty for a child's jacket. The reform has not taken this direction, for it was not supposed to rely on a continuous rise in prices. The people are taking this badly, they are living under constant tension.

"Now we are talking about the second phase of the reform, perhaps the first did not turn out well, since we still have material shortages, for example, in foundry materials, and problems with co-operating parties. The co-operating parties are refusing to manufacture various sub-assemblies. For whom are we doing this, for ourselves or maybe for the Americans?

"I believe that the premises of the reform were good, but their execution was not quite what it should be. The mistakes will not be found at the bottom. The workers want to do a good job and as long as they are assured a work backlog they will work well. In our enterprise we have people frequently working the day assignment for many hours. But do we want to wear out our people?"

Zbigniew Idkowiak, lathe and milling machine operator at "Pafawag"

"Among the people in the division the effects of the reform are not very visible. Chiefly the reference is to price increases and salaries. The prices are getting higher everyday, but the quality of the products is not any better.

"The amount that has to be paid for taking a vacation trip is getting higher. For the wife one must pay about 18,000 to 20,000 zloty. If one has a 4 person family then he cannot afford to take a trip anywhere. The only ones going are the pensioners and retirees, they go to the sanitariums while the vacation complexes are empty.

"Lately, the people here earned good money and the work was steady. But work stoppages due to an empty order book caused a decrease in salaries. The people lost heart. The interruptions were blamed on suppliers and lately on the winter.

"The salary matters should be normalized. A worker doing the same work at 'Pafawag' or at a mine should make more or less the same. Then the employment fluctuations will cease.

"The drafting of cadres should be done differently. A foreman makes 14,000 to 18,000 zloty, but a worker in direct production makes 25,000 to 40,000, and even 50,000 zloty. In such a situation one cannot find candidates for foreman positions. The foremen are indifferent toward their work, they make no demands on their subordinates. In principle such a foreman should be fired but where to find a replacement?

"The stoppages make it necessary to finish the work later in overtime hours. There is much overtime, about 140 to 160 per month. Of course this gives the workers extra earnings, but the workers are exhausted from such work. The reform should be based on the principle that the workers should be able to do their work in 8 hours and earn a corresponding salary.

"If we are going to introduce reform to the mess in organization, then we will not implement it quickly. It is said that there is no turning back from reform, and the television tells us that it is bringing positive results. Perhaps in enterprises that have a modern complement of machines, better equipment, and better production possibilities. Our machines are mostly old, used up.

"Someone at the center should tell the people that if they work diligently for a year or two then things will get better and easier. At present there is no vision of the future. Our young people, specifically, need this.

"Perhaps we should go back to the command system of managing the economy?"

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KIELCE, RADOM 'POLONIA' FIRMS PROFILED

Kielce SLOWO LUDU in Polish 19 Mar 87 pp 1, 8

[Article: "Polish Emigre Firms, Myths and Reality--Twenty-six in the Region, Too Little Export, Office and Raw Materials Problems, Support for the Market"]

[Text] Theoretically Polish emigre firms have been in existence for 10 years, but in practical terms, in Kielce Voivodship, for example, for only 4. A lot of time therefore passed before people were convinced, and now views are divided about the suitability of the new market partner. The assumptions were that such firms would further exports, enrich store shelves, import modern technology and materials, utilize local secondary and raw materials, and put empty facilities to use, and this means that some of the assumptions were overly optimistic: There are few exporters and importers, and local raw materials are not being used. The best results concern the utilization of unused facilities and the expansion of domestic trade offerings.

Both sides are nonetheless disappointed. Polish emigre firms find it difficult to break through resistance, especially from large enterprises, which often operate like the gardener and his dog, that is, they do not use the scrap materials themselves, but they will not give them to anyone else either. It is also difficult to get around the objections that it is better not to have outside contacts, because the plant is a state entity, while the emigre partner is private, making such contacts suspect. This is related, for example, to the lack of precision in the regulations pertaining to this sphere and the fact that bribery may appear to be involved.

There are nine foreign firms and five branches operating in Kielce Voivodship. They employ 435 persons, and in 1986 their turnovers reached a value of 1.111 billion zlotys. Exports did not represent a large share of this figure, less than 14 million zlotys. Only three companies send their goods abroad: PPZ Dina, in Kielce, which makes dresses, skirts, blouses, and slacks sewn from materials imported from western countries; PZ Hen-Christ, in Konskie, which makes wooden boxes and sportswear (from imported raw materials); and PZ AKG, in Staporkowo, which makes, for example, hand vacuums for Switzerland and Austria (it imports the electronic parts).

The domestic market has gained, for example, clothing, children's furniture, leather and fur coats, hats, handbags, nails, floor tiles, and screw drivers.

Service plants have expanded their proposals to include carpentry, construction and remodelling, furrier services, purse-making, and clothing dyeing and cleaning. Nevertheless, there has recently been a tendency to reduce the sale of market goods and to increase the production of sales and services in the realm of computer electronics, data processing, processing plastic waste into pellets, grading textile industry cuttings, and building sewage treatment plants, but it would seem that any proposal from emigre firms would be welcome, provided it fills a gap in our supply, and it is up to the monitoring agencies to see that they operate within the framework of the regulations. If they are efficient, each new competitor on the market either meets the rigorous requirements or disappears, like Plus in Ostrowiec, which failed to comply with the regulations.

There are presently 17 foreign firms operating in Radom Voivodship. They employ more than 2,600 persons. The value of these enterprises' sales and services last year exceeded 6.14 billion zlotys, which represents 2.2 percent of the value of total sales in the voivodship. They exported a total of 22.9 million zlotys' worth of goods, and the average wage was 29,000 zlotys. So much for the statistics. What are the Polish emigre firms producing? Medical equipment, igniters for gas ranges, footwear, automotive defrosters and fluids, household goods and appliances, fruit concentrates, and items made of wood. Foreign enterprises also carry on service operations in construction (hospitals, rural health centers, schools, sewage treatment plants) and remodelling (fire-extinguishers, dryers and dehumidifiers, and heating installations for buildings).

The chief task of Polish emigre firms is to supplement the local market supply of goods and services. The raw materials and other materials needed for production were to have been imported in their own realm, but the firms are buying most of their materials and equipment on the local market. Only seven firms are operating in keeping with the intent of the legislation. Requirements in the realm of rendering services are not being met either. Only four companies: Sofix, Fabex, Elkan, and Almex, have set up all the types of activity listed in the permit.

Social service provisions are not adequate either. Only Sofix's employees have social and housing funds at their disposal.

It is general public opinion that the foreign firms are thrifty and well-run, but information from the treasury chamber shows that Vega and Iberica closed out last year's books in the red. And one more thing: the Kozienice electric power plant's emissions are causing a great air pollution problem for the voivodship. Several Polish emigre firms have been asked to take care of the waste, and several have agreed, but up until now no measures have been undertaken.

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BRIEFS

COTTON MILL TO BE BUILT WITH USSR--A cotton mill to be built as a joint Polish-Soviet enterprise in Biala Podlaska will employ more than 2000 persons. According to preliminary estimates, it will cost 18 billion zlotys and 180 million rubles. The plant which will stand on Ulica Sidorska will have an annual output of 4000-6000 tons of yarn that will be 67 percent cotton and 33 percent synthetic fiber. The cotton used for this product will be obtained from the USSR while the synthetic fiber will be provided by the Elana plant in Torun. In return for its cotton, the Soviet Union will receive half of the plant's output of yarn. It is worth adding that the Biala Podlaska cotton mill will be an environmentally "clean" facility and will include no wet processes or yarn dyeing operations. The plant will be built by the Pulawy Industrial Construction Enterprise and the project which is supposed to begin in the second half of this year will be completed within 41 months of its start. There will also be some additional investment for 300 homes, a worker's hostel for 350 employees, a preschool and a nursery, each of which will accommodate 75 children, and a 500-seat worker's cafeteria. Other investments will include shops, schools and medical clinics for the nearly 2000 new inhabitants that the town of Biala Podlaska will receive. [Text] [Lublin SZTANDAR LUDU in Polish 17 Feb 87 p 1] 12261

SHIPYARD COOPERATION WITH USSR--A Soviet delegation from the production shipyards association in Kherson visited the Lenin Shipyards in Gdansk. During their 3-day visit, the guests learned about the work of the various divisions and talked about establishing production and social contacts. A protocol was signed which calls for the negotiation of a cooperative agreement this year. [Text] [Gdansk GLOS WYBRZEZA in Polish 28 Feb - 1 Mar 87 p 1] 12261

U.S. FIRM INCREASES IMPORTS--(From our own sources)--The decision to lift restrictions imposed on Poland by the administration in Washington is creating opportunities for firms like the Fiberboard Plants in Przemysl and giving them the prospects for their goods to make a stronger showing on the American market, given the more favorable economic conditions, in conjunction with the restoration of "most favored nation" status. This has already been expressed, for example, in the fact that, compared with last year's exports to the U.S., GGI Corporation has tripled its orders this year for deliveries of hard fiberboard 5.5 millimeters thick, which has higher parameters than the previous standard quality. In keeping with the customer's demands, the Przemysl plants have made appropriate preparations to set up production in the near future to turn out such fiberboard with a greater impregnation of oil. It is worth adding that the American firm which was sent the first lot of heavier board by sea last month (about 11,000 square meters) is very interested in further increasing trade contacts. [Text] [Rzeszow NOWINY in Polish 6 Mar 87 p 3] 10790

NEW COMPUTER FOR STEELWORKS -- At the Stalowolsk Steelworks much attention is given to the development of computer information systems. At the end of the first half of the 1970's an IBM 370/145 computer was installed here. This was one of the most powerful computers then imported into the country. For a long time now it has been working a three shift day, and still cannot cope with the growing needs of the Information Department at HSW [Stalowolsk Steelworks]. Because of this situation the decision had been made to purchase a new computer, the BASF 7/61. It was brought on line in February 1987. It is the most modern computer in Polish industry. The central processing unit of the newly installed computer can perform 1.5 million operations per second and has a memory with a 3 megabyte capacity. The printer can operate at a speed of 2,000 lines per minute. The disk memory has a capacity of 840 megabytes. There are also fast tape drive units. And another interesting item - this much more advanced computer cost much, much less, than the one purchased years ago. At HSW, microcomputers are not forgotten. Computer science here has many enthusiasts. [Article by [so] : "The Most Modern Computer in Polish Industry"] [Text] [Rzeszow NOWINY in Polish 24 Feb 87 p 1] 12411

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